

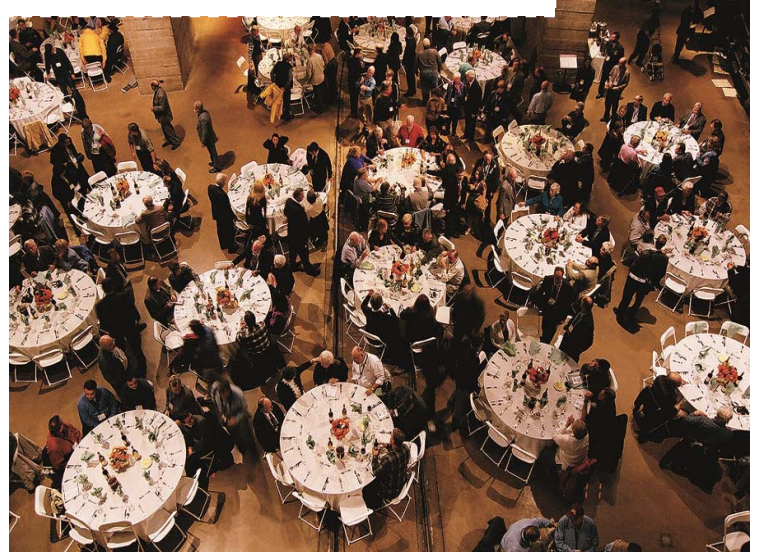
REQUEST FOR PROPOSALS HISTORIC-STYLE AND SPECIALTY FOOD/RETAIL CONCESSIONS



DINGLEY STEAM COFFEE & SPICE MILL BUILDING (LEFT SIDE)



CENTRAL PACIFIC RAILROAD PASSENGER
STATION & SILVER PALACE RESTAURANT



CALIFORNIA STATE RAILROAD MUSEUM
ROUNDHOUSE SET FOR AN EVENT

OLD SACRAMENTO STATE HISTORIC PARK



REQUEST FOR PROPOSALS

FOR

THREE HISTORIC-STYLE AND

SPECIALTY FOOD/RETAIL CONCESSIONS

LOCATED WITHIN

OLD SACRAMENTO STATE HISTORIC PARK

JULY 13, 2012

OCTOBER 9, 2012

STATE OF CALIFORNIA – NATURAL RESOURCES AGENCY
DEPARTMENT OF PARKS AND RECREATION
CONCESSIONS, RESERVATIONS, AND FEES DIVISION
1416 NINTH STREET, 14TH FLOOR
SACRAMENTO, CA 95814



Three Historic Style Retail Concessions RFP

Old Sacramento State Historic Park

NOTICE OF REQUEST FOR PROPOSALS

Notice is hereby given the California Department of Parks and Recreation is accepting proposals for up to three contracts to develop, operate, and maintain three separate historic-style and specialty food/retail concessions within Old Sacramento State Historic Park (OSSHP) described below. Each contract will be awarded separately.

Building	Minimum Rental Bid	Interpretive Period	Approximate Building Size	Facility Improvement
Dingley Steam Coffee and Spice Mill	\$5,000 annually or 5% of gross receipts, whichever is greater.	American Period, Mid to late 19 th century (approx. 1850s-1870's)	1305 sq. feet, rectangle shape building space on ground floor.	Yes
Silver Palace	\$5,000 annually or 5% of gross receipts, whichever is greater.	American Period 1870's	1027 sq. feet, square shape building space with kitchen	Yes
Catering Service at the California State Railroad Museum	\$30,000 annually or 10% of gross receipts up to \$300,000; plus 12% of gross receipts over \$300,000, whichever is greater.	Contemporary and Railroad Themed	2000 sq. feet catering, staging area, space for kitchen.	Yes

Proposal Closing Time & Date:	2:00 p.m., October 9, 2012
Proposal Submission Location:	Concessions, Reservations, and Fees Division 1416 Ninth Street, Room 1442-13 Sacramento, CA 95814
Contract Term:	Five (5) years with a Five (5) year option to renew at the State's option
Proposal Bond:	Five thousand dollars (\$5,000) for Catering; One thousand dollars (\$1,000) each for Silver Palace and Dingley Steam Coffee
Proposer's Minimum Experience:	Three (3) years
Optional Pre-Proposal Meeting:	10:00 a.m., July 25, 2012, at Silver Palace 930 Front Street, Sacramento, CA 95814

For more information or to purchase a copy of the complete RFP for \$25.00, contact Jim Pine at the Concessions, Reservations, and Fees Division, (916) 653-7733 or visit the Web site at

www.parks.ca.gov/concessions.


Ruth Coleman, Director

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SECTION 1 - PROJECT SUMMARY

1.1 GOAL & OBJECTIVES

Department Mission

The mission of California State Parks is to provide for the health, inspiration, and education of the people of California by helping to preserve the state's extraordinary biological diversity, protecting its most valued natural and cultural resources, and creating opportunities for high-quality outdoor recreation.

Park Mission

The purpose of Old Sacramento State Historic Park is to preserve, study, restore, reconstruct, and interpret, for the education, recreation, and entertainment of the broadest possible audience, the story of the City of Sacramento: its Gold Rush roots; the development of commerce, communication, and transportation systems through the 1870s; and their impacts on cultural and natural resources in the development of the city, region, state, and nation.

Park Goals

- Provide a quality interpretive experience for visitors consistent with the mission of the Museum and Park.
- Showcase examples of historic-style commerce through living history demonstrations, interpretive programs, exhibits, and concession operations.

Goal of this Request for Proposal (RFP)

The goal of this RFP is to award either one or multiple five (5) year concession contracts for all three business opportunities, with the State's option to extend the contract(s) for an additional five (5) years, to individuals or business entities to develop, operate, and maintain catering and historic-style specialty retail/food concessions that capture and convey the historical, cultural, ethnic, and geographic themes of the buildings' interpretive periods. **A proposal which includes all three business opportunities will receive extra points in the proposal evaluation process.**

Objectives of this RFP

1. Create and present through physical facilities, interior furnishings, merchandise, and operational style and format, an attractive environment that captures and conveys the historical, cultural, ethnic, and geographic themes of the buildings' interpretive periods;
2. Improve the concession premises, including upgrades to fully comply with the Americans with Disabilities Act (ADA) and Health Department codes;
3. Enhance the visitors' experience with high-quality goods and services at reasonable prices;
4. Provide reasonable financial compensation to the State as rent and support of interpretive activities in the park.

1.2 GENERAL INFORMATION

Site Description

The California State Railroad Museum and Old Sacramento State Historic Park comprise nine acres within Old Sacramento National Historic Landmark District, along with a 17 mile railroad right-of-way along the Sacramento River. The Park is located in Downtown Sacramento, near the interchange of Interstate 5 and Highway 50. The park depicts the American Period of California history, portraying the Gold Rush and Sacramento's early commercial and industrial development. The California State Railroad Museum, the most visited railroad museum in North America, is the anchor of the District. Veranda-covered boardwalks connect historic storefronts, restaurants, and museums throughout the Old Sacramento Historic District depicting Sacramento as it appeared during the Gold Rush and the commercial scene which followed through the late 19th century. Within the park, several historic buildings have been reconstructed to add to the ambiance and interpretive and educational value of the park; although a few original buildings remain.

Visitation

Old Sacramento State Historic Park includes the California State Railroad Museum, Central Pacific Railroad Passenger Station, Central Pacific Railroad Freight Depot, Huntington Hopkins Hardware Store, Stanford Gallery (multi-purpose space), Dingley Spice Mill, Eagle Theatre, McDowell Building, Tehama Block Building, 1849 Scene, and the Sacramento Southern Railroad, an operating excursion train along four miles of the railroad right-of-way from Old Sacramento to Baths (south). Old Sacramento State Historic Park attendance for the last five fiscal years is as follows:

<u>Fiscal Year</u>	<u>Attendance</u>
2006/07	464,540
2007/08	454,072
2008/09	472,086
2009/10	565,976
2010/11	598,770

Facility Descriptions and History

Dingley Steam Coffee and Spice Mill - Specialty Food/Retail Concession

The Dingley Steam Coffee and Spice Mill space is approximately 1,305 square feet on the ground floor. The space includes storage at the back and a bathroom facility. This original building is located next door to the entrance of the Railroad Museum at 115 I Street having a common wall with the reconstructed Big Four Building. Historic records indicate that Nathaniel Dingley arrived in San Francisco in February 1850, settling within a matter of months in Sacramento and buying out a partner in the coffee and spice business. The building that now stands is believed to be roughly across the street from Dingley's original location, and was built within the two years following Sacramento's disastrous 1852 fire. Dingley used the ground floor for his coffee and spice business, and he resided on the second floor until his death in 1897. In subsequent years, the location was used as an inexpensive boarding house, and a bookstore from 1981 to 1995. Currently, the building has no restaurant related equipment and is not open to the public. This building is identified by the U.S. Department of the Interior as a National Historic Landmark. Any proposed changes or alterations to the building interior

or exterior must be reviewed to meet the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties prior to implementation.



Nathaniel Dingley's coffee and spice shop ca. 1890
© Center for Sacramento History

Concessions appropriate to this facility include, but are not limited to:

Coffee and tea related retail sales and service, including spices, jams and other locally produced goods unique to the building and its history
Breakfast, lunch, and possibly dinner meal service

Silver Palace - Specialty Food Service

The building located at 920 Front Street, Sacramento in the Central Pacific Railroad Passenger Station is a faithful representation of the western terminus of the transcontinental railroad as it appeared in the early 1870s and was reconstructed in 1976 as a part of Old Sacramento State Historic Park. The Station is part of the California State Railroad Museum complex. In February 1870, just ten months after the driving of the Golden Spike at Promontory Summit, Utah, workmen put the finishing touches on the Silver Palace Eating Stand, the forerunner of today's Silver Palace. Current use is a non-operational restaurant.



Concessions appropriate to this facility include:

Full service lunch and/or dinner with period menu, including sales of beer and wine.
This concession may also be combined to support the catering operation.

Prior to 2002, a restaurant concession operated at this location. The gross sales and rent for the last five years as reported by the previous concessionaire is as follows:

<u>Fiscal Year</u>	<u>Gross Receipts</u>	<u>Rent to State</u>
1996/97	73,174	5,122
1997/98	75,729	5,301
1998/99	105,356	7,375
1999/00	86,326	6,043
2000/01	16,574	1,160

Catering Services Concession

Catering services are to be provided for a wide variety of special events and facility rentals at the California State Railroad Museum (CSRM). There is the potential opportunity for future concessionaire to develop a catering kitchen on the north side of the Museum close to existing plumbing. The addition of the catering kitchen would be the sole responsibility of proposer.

The potential exists for the catering services concession to provide on-board catering for the Sacramento Southern excursion train for special charters or regular “dinner train” service. The specific terms and conditions for such addition to the catering concession may be negotiated with the successful bidder, and may require a capital investment in rail equipment in order to commence such dinner train service in the future. In this event, the minimum rent requirements for the museum catering will apply to the dinner train service.

Concessions appropriate to this facility include, but are not limited to:

Catering services

This is a new concession opportunity. While there are special events at the OSSHP, there has not been an exclusive caterer associated with such events. There has been an average of 40 special events and facility rentals held annually at the CSRM/OSSHP that require catering during the past 3 years.

NOTE: The preceding is for general information only; the State does not guarantee its accuracy. It is recommended that proposers personally investigate the premises and park environs.

Future Site Plans

The park’s current General Development Plan was authorized in 1970. However, the new Old Sacramento State Historic Park and California State Railroad Museum General Plan is available in draft and should be adopted in 2012. The draft General Plan is available online at www.parks.ca.gov/osshp/genplan.

Proposals should consider potential operational changes in the park unit(s) that may occur during the term of the contract. Changes to park operations may result from changes in law, social or use patterns, and budget considerations. Any changes in the normal operations of the park shall not be construed as authorizing a change in the terms and conditions of the contract.

1.3 CONTRACT SUMMARY

One to three contracts are available for bid through this RFP. The contracts provide for the operation of historic-style food/retail concession(s) at two separate locations and contemporary catering services at a third location, each under separate contracts with different operating requirements. **Extra points will be awarded for proposal(s) which include all three business opportunities.**

It is critical that proposers understand all the terms and conditions of the Sample Concession Contract (included herein). The proposal should be based on the requirements of the contract for which the proposer is bidding in its entirety. If a proposer is awarded a contract, the successful proposer has 30 days to review and sign the awarded contract. The successful proposer shall be expected to accept the provisions of the Sample Concession Contract as written. If necessary, minor clarifications, approved by staff counsel, the Department of General Services, and the Attorney General, may be made prior to contract execution. The intent of the contract is to provide the public with high-quality, reasonably priced goods and services in an authentic manner and atmosphere that enhances the visitor's experience and the educational, natural, and cultural resources of the park.

Summary descriptions of some of the important contract provisions are described below. At a minimum, the successful proposer will be required to:

1. Develop, equip, operate maintain and promote a historic-style beverage/food/retail concession at Dingley Steam Coffee and Spice Mill location. The Dingley Steam Coffee and Spice Mill concession could allow for seating in the CSRM's courtyard and some seating along the front boardwalk at the discretion of the State Fire Marshal. Concessionaire will be required to equip the building for food service operations at no cost to the State. Optional facility improvements are described in Section 3 the Proposal, Subsection II Proposal Information, Facility Improvement Plan. Any proposed alterations to the Dingley Steam Coffee and Spice Mill building must meet the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties.
2. Develop, equip, operate, maintain and promote an historic-style restaurant at the Silver Palace. The Silver Palace will require some upgrades to the kitchen to meet public health codes, particularly cooking equipment, dishwasher and sinks. Optional facility improvements and use are described in Section 3 the Proposal, Subsection II Proposal Information, Facility Improvement Plan.
3. Provide services to the public at the Dingley Building and Silver Palace businesses up to seven days a week, 362 days per year. Concessionaire may propose longer hours to accommodate high seasonal use of the unit and special events, but a minimum level of operation follows:
 - Weekends mid-March to mid-September 8 a.m. to 2 p.m.
 - All Monday holidays within peak season of mid-March to mid-September 8 a.m. to 2 p.m.
 - Concession may be closed the last Thursday in November, December 25th, and January 1st.

4. Provide Catering Services in connection with special events and facility rentals booked by the State California State Railroad Museum (CSRM) seven days per week, 362 days per year upon request. The CSRM is closed and no events shall be scheduled the last Thursday of November, December 25th, or January 1st. Based on a successful proposal, concessionaire may also plan and construct a catering kitchen at the north side of the CSRM in accordance with state regulations. The successful proposer shall recognize and accommodate existing reservations in place at the time of contract commencement.
5. Furnish, equip and landscape locations as appropriate for the proposed businesses in accordance with the designated interpretive period, the State's guidelines, and the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties.
6. Pay as annual rent the amount presented in the proposal, which, at a minimum, shall be:
 - For Dingley Steam Coffee and Spice Mill: the greater of five thousand dollars (\$5,000) annually or five percent (5%) of Gross Receipts
 - For Silver Palace: the greater of five thousand dollars (\$5,000) annually or five percent (5%) of Gross Receipts
 - For Catering Service at the California State Railroad Museum: the greater of thirty thousand dollars (\$30,000) annually or ten percent (10%) of Gross Receipts up to \$300,000; plus twelve (12%) of annual Gross Receipts over \$300,000.
7. Implement an Operation Plan, Facility Improvement Plan, and Interpretive Plan as specified within RFP Section 3, Subsection II Proposal Information that clearly demonstrates the proposer's plan to provide accessible services and facilities that comply with ADA guidelines. The plans will become exhibits to the final contract subject to State review and approval. American's with Disabilities (ADA) exemptions identified in the California Historical Building Code may be applied for the Dingley Steam Coffee and Spice Mill, a National Historic Landmark property.
8. Require concession employees when in public view be attired in period appropriate clothing designated by the interpretive period use of the premises and approved by the District Superintendent. Catering Service employees shall be neatly attired in uniforms that properly identify the Concessionaire. All uniform designs are subject to prior approval by the District Superintendent or designee.
9. Maintain, construct and install period-style signs at Concessionaire's own expense according to the *Guidelines for Signs* and as approved by the State, in accordance with the Interpretive Plan and Old Sacramento State Historic Park and California State Railroad Museum General Plan.
10. Maintain and care for state-owned artifacts and furnishings in accordance with department guidelines and policies as applicable.
11. Maintain the premises, facility, furnishings, and equipment in a good, safe and sanitary condition in accordance with Department and contract provisions. All housekeeping and maintenance shall be at Concessionaire's own cost and expense.

12. Provide a continuing Performance Bond in the amount of six months' rent as bid.
13. Pay all taxes applicable to the operation of the concession, including possessory interest taxes, and all utility services as required by the contract.
14. Provide commercial general liability, liquor liability, automobile liability, workers' compensation, business interruption, and fire insurance as required by the contract.
15. Obtain all necessary licenses, permits, and approvals as set forth in the contract and abide by all applicable health, safety, and environmental codes and regulations.
16. Comply with the letter and spirit of current and subsequent guidelines or plans, including General Plan amendments or updates, management and interpretive plans, historic structure reports, the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties, the California Historical Building Code, and others.
17. Demonstrate compliance with labor laws as specified in the RFP.

The successful proposer will not:

1. Provide or sell items or services considered inappropriate, deemed objectionable, or denied by the State.
2. Charge prices in excess of those approved by the State.
3. Promote or participate in activities that are incompatible with the rules, regulations, guidelines, or the mission of the Department.

Note: This contract summary is for general information only. Terms and conditions are set forth in detail in the Sample Concession Contract.

SECTION 2 - THE RFP PROCESS

2.1 PROPOSAL PROCESS

Tentative Proposal Dates

July 13, 2012.....	Opening Date - Publication of the RFP
July 25, 2012.....	Optional Pre-Proposal Meeting
July 31, 2012.....	Questions - Last date for proposers to submit written questions
August 8, 2012.....	Answers - DPR written responses to questions
October 9, 2012	Closing Date - Deadline for proposal submission
October 2012	Investigation and evaluation of Proposals
November 2012.....	Notification of "Intent to Award Contract"
November 2012.....	Award, preparation, and execution of contracts
January 1, 2013	Contract commencement

Note: This schedule does not consider unforeseen factors that could impact the timing of the project. It is the intent of the State to keep proposers apprised of changes in the schedule as they occur. Should the award of the contract be protested, additional time will be required to resolve the matter.

Optional Pre-Proposal Meeting

It is strongly recommended that the proposer or designated representative attend the optional pre-proposal meeting at 2:00 p.m. on July 25, 2012 at Silver Palace Eating Stand 930 Front Street, Sacramento, CA 95814. The meeting provides an equitable forum for all proposers to:

- Meet local Department staff;
- Learn about the RFP process, including procedures for questions and answers, proposal submission, and contract award;
- Inspect the concession site and receive information on the park and facility history and Department plans for the park and the concession;
- Review the RFP document.

RFP Content Questions

Questions regarding this RFP must be submitted in writing and received no later than 5 p.m. on July 31, 2012. To ensure fair competition, all proposers will receive the same information and materials; no telephone or personal inquiries about this RFP will be answered. Questions will be submitted in writing to the Department by email or fax at the address and phone numbers listed below. A written compilation of all questions and answers, and any RFP addenda, will be posted at www.parks.ca.gov/concessions and sent by electronic mail to all identified potential proposers. Questions will be answered as clearly and completely as possible without jeopardizing the competitiveness of the proposals.

Proposers should send their questions addressed to:

California Department of Parks and Recreation
Concessions, Reservations, and Fees Division
1416 Ninth Street, Room 1442-13
Sacramento, California 95814
Attn: Jim Pine
Fax: (916) 657-1856
Jpine@parks.ca.gov

Proposal Bond

Proposals must be accompanied by a Proposal Bond or cashier's check payable to the State of California, Department of Parks and Recreation, in the amount five thousand dollars (\$5,000.00) for proposals which include the catering concession; or one thousand dollars (\$1,000) for each of the Dingley Steam Coffee and Spice Mill and the Silver Palace without the catering concession. By submitting a proposal bond the proposer agrees that the bond may be cashed and retained by the State. If a cashier's check is submitted it will be cashed by the State. In the event the proposer fails to execute the contract, the bond or cashier's check will be retained by the State. Further, by submitting a proposal, proposer agrees that the State will suffer costs and damages not contemplated otherwise should proposer be awarded the contract but fail to execute and proceed with the contract, the exact amount of which will be difficult to ascertain. Accordingly, it is agreed that such retained sums shall not be deemed a penalty, but, in lieu of actual damages, shall represent a fair and reasonable estimate of damages to the State for failure of the proposer to execute and proceed with the contract upon notification of award by the State. Bonds will be returned to all proposers once a contract is signed by the best responsible bidder.

Proposal Submission

The proposal, including the Proposal Bond, must be received by 2:00 p.m. on October 9, 2012 at:

California Department of Parks and Recreation
Concessions, Reservations, and Fees Division
1416 Ninth Street, Room 1442-13
Sacramento, CA 95814

Proposal Format & Content

The proposal package must be sealed and clearly marked on the outside with "Proposal for Historic-Style Specialty Concessions at Old Sacramento State Historic Park. Please submit an original plus **seven (7)** copies of the proposal in 8.5" x 11" three-ring binders. All material should be presented in an 8.5" x 11" portrait format with tabs for each section. Larger formatted graphic exhibits are acceptable if folded to fit within the 8.5" x 11" three-ring binder.

Confidentiality of Proposals

All proposals submitted in response to an RFP become the property of the State and are subject to the requirements of the California Public Records Act (California Government Code Section 6250 et seq.). The proposer must identify in writing all copyrighted material, trade secrets, or other proprietary information the proposer claims

are exempt from disclosure under the Public Records Act. Proposers claiming exemption must include the following statement in their proposal:

The proposer agrees to indemnify and hold harmless the State, its officers, employees, and agents from any claims, liability, or damages against the State, and to defend any action brought against the State for Proposer's refusal to disclose such material, trade secrets, or other proprietary information to any party.

Failure of a proposer to include this statement and/or identify in writing the claimed exempt material shall be deemed a waiver of any exemption from disclosure under the Public Records Act. Requests to review proposal submissions will not be allowed until after an "Intent to Award Contract" notice is published by the State.

Withdrawal of Proposals

Proposals may be withdrawn at any time prior to the proposal closing date and time provided that a written request executed by the proposer or his/her duly authorized representative for the withdrawal of such proposal is filed with the Department. The withdrawal of a proposal shall not prejudice the right of a proposer to file a new proposal prior to the proposal closing date and time. However, once the proposal closing date and time has passed, proposals shall be irrevocable.

2.2 EVALUATION PROCESS

Verification of Proposal Information

The State will obtain credit reports and verify tax form information to further establish the qualifications of any proposer. All proposers may be subject to a personal interview and inspection of his/her business premises prior to award. Proposers should notify bank and business references in writing that a representative from the state will be contacting them concerning the financial and credit information furnished to the Department with the proposal.

State's Right to Reject Proposals, Waive Defects and Requirements

The State reserves the right to accept or reject any or all proposals, and waive any or all immaterial defects, irregularities, or requirements in the RFP for the benefit of the State, so long as such waiver does not give any proposer a material advantage over other proposers. A proposer shall not be relieved of his/her proposal nor shall any change be made in his/her proposal due to a proposer error.

Supplemental Information

At its sole discretion, the State reserves the right, but does not have the obligation, to seek supplementary information or clarification from any proposer at any time between the dates of proposal submission/acceptance and the contract award. The State may obtain credit reports and/or make background inquiries to further establish the qualifications of any proposer. Proposers may be required to make a presentation to the Concession Contract Award Board.

Proposal Evaluation

All proposals received shall be evaluated for form and content in accordance with the requirements of this RFP. The Contract Award Board will evaluate and score each eligible proposal pursuant to the point system and selection criteria as described in the Proposal Instructions and Proposal Evaluation Form. **Proposals not containing all of the items in the Concession Proposal form (DPR 398) may be rejected.**

Contract Award Board

Concession Contract Award Boards are appointed by the Director of the Department, or his or her representative, and convened to review, evaluate, and rate each proposal received and make a recommendation to the Director regarding the selection of the "Best Responsible Proposer". The Award Board for this contract may include park staff with related expertise, such as Field Division Chief, Deputy Director, Park Design and Construction staff, Division Chief, Archaeology, History, & Museum, or District Superintendent, and representatives from other public agencies or the private sector.

Contract Award

If an award is made, the award for a concession contract will be to the "Best Responsible Proposer" in accordance with Section 5080.23 of the Public Resources Code. The "Best Responsible Proposer" will be the bidder whose proposal passes each of the required elements and receives the highest total score as determined by the Contract Award Board and approved by the Director. Execution of the awarded concession contract is subject to approval by controlling agencies of the State, which include the Department of General Services and the Attorney General, and will not be binding on the State or the successful proposer until such approval is obtained. In the event the State does not identify a "Best Responsible Proposer" through the bid process, the State may negotiate a concession contract under the provisions of Public Resources Code Section 5080.16.

Protest of Award

Based on California Code of Regulations, Title 14, Division 3, Chapter 3, Section 4400 and Department of Parks and Recreation policy, within ten (10) days after the Department has issued a notice of intent to award a concession contract for a term in excess of two (2) years following a request for proposals or invitation to bid, any proposer/bidder may file a written statement of protest against awarding of the contract with the Director of the Department. The statement shall be signed by the protestor, shall specify the grounds for the protest and may include a demand for a hearing. Failure to file a verified petition within the ten-day period shall constitute a waiver of the right to protest. Protests must be sent to:

Director
California Department of Parks and Recreation
1416 Ninth Street, 14th Floor
P. O. Box 942896
Sacramento, California 94296-0001
Fax: 916-657-3903

A copy of the protest must be served on the Attorney General within the ten-day period by the proposer/bidder. Serve the Attorney General at:
State of California

Department of Justice
Office of the Attorney General
Land Law Section
1300 I Street
Sacramento, California 95814
Facsimile: 916-322-5609

If a protest is timely served and a hearing is demanded, or if the Director on his or her own motion orders a hearing, proceedings shall be conducted according to the Administrative Procedure Act, and the protest statement shall be treated as a statement of issues. Any recommendation or decision of the hearing officer shall be submitted to the Director for approval, adoption, modification, disapproval, or other interlocutory or final action. If a hearing is not so demanded or ordered, the action of the Director shall be final.

2.3 CONTRACT EXECUTION

Preparation of Contract

Subsequent to the award of a contract, if an award is made, the State will prepare a final contract for execution. The contract will contain "exhibits" developed from the selected proposal including the proposal's operations, Facility Improvement, and Interpretation Plans, as required. Minor changes or modifications to the contract, proposal plans, and contract exhibits may be made prior to execution based on agreement between the State and concessionaire. However, no material change to the contract or its exhibits as presented in the RFP and in the selected proposal may be made.

Performance Bond and Insurance

The successful proposer will be required to submit a Performance Bond and evidence of insurance required under the contract. Failure to submit the bond and/or insurance verification within the time limit presented may be treated as a refusal to execute, if the State so elects. The State may take the Proposer Bond and select the next Best Responsible Proposal.

Failure to Sign/Deliver Contract

A failure of the successful proposer to sign and deliver the contract within thirty (30) days of receipt may be treated as a refusal to execute, if the State so elects. The State may retain the Proposer Bond and select the next Best Responsible Proposal.

SECTION 3 - THE PROPOSAL

3.1 INSTRUCTIONS FOR THE CONCESSION PROPOSAL

A completed Concession Proposal form (also known as DPR 398) and a Proposal Bond will constitute the proposal. Proposer must complete all sections, respond to all questions, and fill in all blanks of the form. Inapplicable questions or blanks must be marked "N/A" or "Not Applicable". Failure to properly complete the form may disqualify the proposal.

Proposer must submit a separate proposal for each location. Proposal shall indicate the location of interest by checking the appropriate box on Page 1 of the DPR 398. If proposal is contingent upon receipt of more than one location, proposer shall reference such on each separate proposal where indicated on Page 1 of the DPR 398. In addition, proposer shall describe their proposed use for each location of interest within the Proposal Summary referenced on Page 21 of this RFP.

The proposal must be clear and unambiguous. It should clearly commit the proposer to enter into a contract with the State to provide the services and other concession improvements as required by this RFP and offered in the proposal. Financial commitments must be made and conditional only on contract execution.

The submission of a proposal shall be deemed evidence that the proposer is aware of the responsibilities of being a concessionaire and have carefully examined State laws relating to California State Parks concessions; possessory interest tax as related to concessions; the site(s) selected for said concession; the application of the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties; obligations and responsibilities related to local control agencies and permitting requirements; and the proposal instructions, proposal form, and the sample concession contract included herein.

I. PROPOSER INFORMATION

A. Proposer Identification

Incumbent Factor

The incumbent concessionaire is defined as the individual, partnership, limited liability company or corporation that currently operates the concession advertised in this RFP. Such concession operations must be at the same site, comprise the same type of operations, and provide substantially the same types of products and services as those specified in the RFP. Incumbent proposals are awarded points based on periodic Performance Evaluations (DPR 531) performed by the State. Poor Performance Evaluations may result in negative point scores.

Small Business Status

Preference will be granted to proposers properly certified as Small Businesses as defined in Title 2, Section 1896, et seq., California Code of Regulations. To claim this preference, proposals must include a copy of the Small Business Certification and Office of Small Business (OSB) identification number. To ensure a certifiable document, applications should be submitted to OSB well before the proposal closing

day and properly identify a business type consistent with this RFP. It is the proposer's responsibility to contact OSB to verify the completeness of the application. Incomplete documents are not certifiable. Proposers may obtain an application for Small Business Certification from:

Office of Small Business and DVBE Certification
707 Third Street, 1st Floor, Room 400
West Sacramento, CA 95605
(800) 559-5529 or (916) 375-4940
FAX (916) 374-4950

Certification will verify that the business is independently owned and operated; not dominant in its field of operations; has its principal office located in California; has officers domiciled in California; and together with affiliates is either a service, construction, or non-manufacturer with 100 or fewer employees and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three (3) years, or a manufacturer with 100 or fewer employees.

B. Business Information

Select the type of business that describes the proposing entity (Sole Proprietorship, Partnership, Joint Venture, Limited Liability Company or Corporation) and provide the requested information. The type of business must be established prior to submitting a proposal and must not be a condition of receiving the contract. Limited Liability Companies (LLC) must include a copy of their Articles of Organization with the California Secretary of State seal (LLC-1 or LLC-5) and the Statement of Information (LLC-12) to identify the managing member or members of the Organization.

C. Individual Information

This section must be completed by each individual, partner, and member of joint ventures; CEO, officers, and holders of 25% or more of the company's shares for corporations; concession manager; and the managing member(s) of the organization identified on the LLC-12 for a limited liability company. The aforementioned identified individual(s) must also complete and sign the Authorization to Release Information in Section IV.

Experience

For the purpose of this RFP, proposers must have a minimum of three (3) years' experience owning, managing or operating a business of similar type, size and scope as the concession operations set forth and described in this RFP. Proposals with less than the minimum experience will be disqualified.

Provide a narrative describing in detail the duration, extent, and quality of the proposer's education and business experience with special emphasis on the experience and qualifications related to the subject concession. Be specific with respect to the type and dates of experience, the proposer's role in the management and specific duties, type and size of operations, quality of operations, public agency involvement, contractual relationships, and other factors that demonstrate an ability to successfully operate the proposed concession. Experience working with the unique requirements of a registered

historic building should also be noted and expanded upon, where appropriate. Attach additional information as needed.

D. Statement of Financial Capability

Proposers must present evidence satisfactory to the State demonstrating their ability to finance, construct, operate, and maintain the concession facilities as proposed. For the purposes of this RFP, proposers must have the ability to access at a minimum the total amount of the Facility Improvement Plan. The proposer's statement of financial capability must include the source of funding and detailed information including:

Source of funding and cost of concession development: Identify and describe the specific source of funding that the business will use to undertake the project as proposed. If funds are to be used from outside sources (i.e., parent company, third party, LLC partners, etc.), provide documentation, such as a recent bank statement, balance sheet, income statement, and/or other supporting documents, to demonstrate these funds are available and unconditionally committed to this concession project. In addition, if funds are to be borrowed to finance any portion of the total investment, proposer must provide loan commitment documentation such as a letter-of-intent from the individual, bank, or other lending entity indicating the minimum amount to be loaned and any applicable percentage rate. The loan commitment may contain the qualification that the loan will be consummated only upon award of an agreement with the State; otherwise the commitment must be irrevocable and unconditional.

Business Financial Statement: Use the Business Financial Statement to describe the current and true condition of the business' assets, liabilities, and net worth. Round figures to the nearest dollar. If the business is a partnership or joint venture, each general partner or joint venturer must individually submit a Business Financial Statement. Proposer may provide copies of forms filed with the Internal Revenue Service, where applicable.

E. Credit Worthiness

Proposers must present evidence of credit worthiness. At a minimum, evidence should include a credit report issued by a nationally recognized credit bureau within 60 days of the proposal due date and include the FICO score. Any derogatory information listed on said reports must be explained. Below average FICO scores, outstanding debts, delinquent payment history on current concession contracts, and any other derogatory information may disqualify a proposal.

F. References

Financial, client, and vendor references are used to confirm information provided by proposers and to evaluate the proposer's quality of experience and past performance. Proposers should submit one reference for each reference type required below. However, to adequately substantiate the claims made in the proposal, proposers are encouraged to provide three references that are familiar with the individual and business. Proposers should notify their references in writing that a representative from the State will be contacting them.

For the purposes of this RFP, proposers should provide the references from the following sources:

- Financial References: Include the bank or savings and loan institution.
- Client or Business References: Name clients or other persons that most accurately reflect the business performance and ability to fulfill contract obligations with other entities for the provision of goods and services.
- Vendor References: Proposers should provide vendor references if they are a pre-existing business currently utilizing vendors.

II. PROPOSAL INFORMATION

Provide an Operations, Facility Improvement, and Interpretive Plan (as required) that addresses each of the checked elements in the Concession Proposal form (DPR 398). Each element of the Concession Proposal is described below. Proposers may submit additional information to describe and enhance their proposal.

A. Operation Plan

The Operation Plan should address the following elements and must demonstrate an understanding of and commitment to achieving the objectives of this RFP. Greater consideration will be given to proposals that demonstrate proposer's ability and commitment to implement the plan and provide high-quality goods and services that are consistent with the intent of the RFP and the mission of the park. The proposal must also adhere to the operational requirements as described in the Sample Contract.

Vision/Mission Statement

The Vision/Mission Statement should capture both the State's and proposer's goals and objectives for the concession business and provide a clear philosophy.

Organizational Structure

Provide an organization chart and staffing plan that can guide the operations and ongoing management of the concession business. The plan should identify and define all job classifications to be used and the required job skills and qualifications. Describe the assignments, duties, and schedules for each staffing level considering contract requirements, the proposed hours of operations, and any unique seasonal and peak use circumstances.

Transition/Business Start-Up

Describe a plan and timeline for starting concession operations and providing a seamless transition in customer service where appropriate.

Maintenance and Housekeeping

Describe a plan to maintain the concession facilities in a first-class condition throughout the term of the contract. The maintenance plan criteria should include budget allocations, staff skills and qualifications, staffing patterns, and housekeeping and maintenance schedules. All maintenance and housekeeping shall be at Concessionaire's own cost and expense.

Customer Service

Demonstrate an ability and clear commitment to successfully implement an effective customer service program. The plan should include, but is not limited to, previously established and effective customer service program models, adequate employee

staffing and management oversight, hours of operations equal to or greater than required by this RFP, and a customer satisfaction feedback survey program.

Employee Staffing and Training

Employee policies and training program should include, but are not limited to, personnel policies; hiring practices; health, safety, and grievance policies and procedures; uniform policies and requirements; business orientation; job training; and park orientation training. Such programs must provide sufficient staffing with the skills, capabilities, and training to ensure the provision of uninterrupted, high-quality services to all park visitors.

Marketing and Advertising

The marketing program should include, but is not limited to, proposed approaches, methodologies, media, advertising materials, schedules, and budget allocations to maximize use of facilities.

Community Involvement

Commit to creating added value and benefits to the surrounding community and park visitors. This may include special events, educational programs, and community service activities. In addition, proposer should identify the special skills, knowledge, and resources needed and available to implement the plan.

Products, Merchandise, and Services

Provide a detailed description of the proposed menu and other products, merchandise, and services to be provided by the concession operations. Food and other sales items must be high quality and the selection varied. The products and services offered should meet or exceed the needs of the park users, and be compatible with and complementary to the mission of the park. If applicable, describe any provisions for outside caterers which you may use to provide cuisine other than that covered in your standard menu.

Prices and Pricing Policies

Provide a price schedule for a representative sample of the products and services proposed. The plan should describe and explain the policies to be used to establish prices for food, beverages, products, and services; including rates for outside caterers if applicable. The policies should clearly demonstrate the relationship of pricing to product quality and portions. Implementation of these policies should provide park visitors with quality products at reasonable prices considering the competition of comparable markets for similar products, services and cost of doing business. Pricing policies should consider Sample Contract Section 4 Rent; and Section 15 Rates, Charges and Quality of Goods and Services.

Conservation and Recycling

Outline the proposer's approach to solid waste management, including reduction, re-use, and recycling, use of post-consumer recycled products, water and energy conservation, pest management, hazardous materials handling, air quality, and other applicable facets of resource conservation and environmental protection that are applicable to the concession operations. The plan should clearly commit proposer to a program that will minimize negative impacts on the environment and encourage park visitors to do the same.

Accessibility

Commit to ensuring disabled visitors will have access to all of the services provided through the concession operations in accordance with the American's with Disabilities Act of 1990, the Rehabilitation Act of 1973, and California Government Code Sections 4450 et. seq. and 7250. Additional accessibility resources are available at www.ada.gov; http://www.parks.ca.gov/?page_id=21944 (State Parks Accessibility Program; and http://www.parks.ca.gov/?page_id=22651 (All Visitors Welcome handbook) and http://www.parks.ca.gov/?page_id=21410 (State Historical Building Code).

Healthy Foods Initiative

An important goal for this contract is the promotion of a healthy lifestyle in an environmentally-sustainable manner. Proposers should consider providing traditional menu items either updated to conform to the Department's healthy food requirements, or the addition of healthy food menu options.

As a condition of the contract award, the successful proposer may be required to revise or further develop the Operations Plan to the satisfaction of the State and prior to the execution of the contract. If and when it is accepted, the final plan will be incorporated as an exhibit to the contract and become an obligation of the concessionaire.

B. Facility Improvement Plan

The Facility Improvement Plan should address the following elements and meet or exceed the objectives of this RFP to provide high-quality and accessible facilities. Greater consideration will be given to those proposals that clearly demonstrate an ability and commitment to implement the plan. In addition, the successful proposer must adhere to the facility requirements as described in the Sample Contract.

Furnishings

Describe the intended physical facilities of the concession including furnishings, equipment, décor, and layout. Implementation of proposer's plan should provide first-class concession facilities that are consistent with park values and will enhance visitor services at the park.

Facility Development

Describe facility improvements as required by the RFP. Include the resumes of the proposed architects and contractors to be used and descriptions and/or schematic drawings of the work to be accomplished and items to be installed. Proposer may submit lists, drawings, pictures, and diagrams to illustrate and clarify the plans. Proposed Facility improvements to the Dingley Steam Coffee and Spice Mill Building must adhere to the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties.

Listed below are the minimum required facility improvements unless otherwise noted as "optional" for each building.

For Dingley Steam Coffee and Spice Mill:

- Provide necessary food preparation facilities and furnishings.

- Provide seating in the Museum's courtyard and along the front boardwalk. (optional)
- Install new shade awnings for boardwalk seating. (optional)
- Provide Wi-Fi. (optional)

For Silver Palace:

- Install upgrades to kitchen particularly washer and sinks.
- Obtain beer and wine liquor license. (optional)
- Operate evenings to support Eagle Theatre programs. (optional)

For Catering Service at the California State Railroad Museum:

- Build a catering kitchen to the north side of the Museum. (optional)

Implementation

Describe proposer's plan, method, and commitment to meeting the Facility Improvement Plan. Specify the timeline for completion of any capital improvements and installation of said décor and equipment prior to the commencement of operations. Explain how the Facility Improvement Plan meets the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties, where applicable.

Cost Estimates

Provide a cost breakdown for the Furnishings Plan and/or Facility Development Plan.

As a condition of the contract award, the successful proposer may be required to revise or further develop the Facility Improvement Plan to the satisfaction of the State and prior to the execution of the contract. After the State's review and approval, the Facility Improvement Plan from the successful proposal shall be included as an exhibit to the contract.

C. Interpretive Plan

The Interpretive Plan should address each of the following elements, demonstrate an understanding of the park's interpretive programs, and communicate how the Plan will contribute to the overall interpretive messages of the park. More points will be awarded to proposals that integrate the park's interpretive themes into the daily operation of the concession. Resources for the development of an Interpretive Plan are available at www.parks.ca.gov/pages/735/files/interpprojectworkbook.pdf and Workbook for Planning Interpretive Projects and Guide for Creating a Furnishing Plan within http://www.parks.ca.gov/?page_id=25531.

Proposer's Relevant Experience

Describe proposer's experience, knowledge, skills, and abilities to develop and operate an interpretive program.

Business' Interpretive Theme

Describe the interpretive theme of the business including the specific years to be interpreted ("interpretive period") consistent with the history and use of each building.

Interpretive Programs and Activities

Describe plans for interpretive programs and activities. Interpretive activities should be conducted on a regular basis, integrating concession activities with the historic daily duties of a food service or retail establishment of the interpretive period. The interpretive program should also address services for multi-ethnic, multi-generational visitors.

Business' Ambiance

Describe plan to develop and implement historical ambiance including such things as historic characterizations, environment, costumes, furnishings, signs, wall treatment, advertising, window coverings, equipment, tools, display shelves, counters, tables, chairs, and cooking equipment for the Dingley and Silver Palace contracts. "A Goldrush Merchant's Manual" published by California State Parks is an appropriate resource.

Restaurant

Provide a detailed description of the food type(s) and service, tableware/utensils, menu, and menu boards, and any modern equipment that will be employed and how it will be disguised/camouflaged.

As a condition of the contract award, the successful proposer may be required to revise or further develop the Interpretive Plan to the satisfaction of the State and prior to the execution of the contract. After the State's review and approval, the Interpretive Plan from the successful proposer shall be included as an exhibit to the contract.

D. Rental Offer

The concessionaire will be required to pay as rent a guaranteed amount (Rental Guarantee) or a Percentage of Gross Sales, whichever is greater. Proposers shall bid both the Minimum Annual Rent and the Percentage of Gross Sales as specified in the Concession Proposal form (DPR 398). For the purposes of this RFP, the Rental Guarantee must be at least the Minimum Annual Rent and the Percentage of Gross Sales as listed in the table below. Any offer below the minimum rent requirements will result in proposal disqualification.

<u>Location</u>	<u>Minimum Annual Rent</u>	<u>Percent Rent</u>
Dingley Steam Coffee and Spice Mill	\$5,000	5% of gross receipts
Silver Palace	\$5,000	5% of gross receipts
Catering Service at the California State Railroad Museum	\$30,000	10% of gross receipts up to \$300,000; plus 12% over \$300,000

E. Concession Feasibility

Document proposer's ability to successfully initiate the proposed concession in a financially responsible manner, in accordance with the terms and conditions of the sample contract and the Operations, Facility Improvement, and Interpretive Plans (as applicable). This information must substantiate proposer's ability to: develop, furnish, equip, operate and maintain the concession in a high-quality manner; provide the public with quality products and services at reasonable and competitive prices; pay the State the rental offered; and provide a reasonable return on the investment. Fiscal documentation that will be considered in awarding points includes a financial pro forma; statement of assets and liabilities; business, vendor, bank, and/or financial references; and similar documents.

III. PROPOSAL SUMMARY

The Proposal Summary should summarize their proposal, including relevant experience, the Operation, Facility Improvement, and Interpretive Plans (as applicable) in 500 words or less.

IV. CERTIFICATION OF PROPOSER INFORMATION**A. Labor Law Compliance Certification**

A request may be made to the National Labor Relations Board for information regarding Administrative Hearing decisions against each proposer. Proposer must have no more than one final, unappealable finding of contempt of court by a federal court issued for violation of the National Labor Relations Act within the two-year period immediately preceding the closing date of this RFP or the proposal will be disqualified.

B. Proposer Certification

A completed certification must be included with the proposal or it may be disqualified.

C. Authorization to Release Information

A signed authorization for each individual, partner, member of joint ventures, officer of corporations, Concession Manager, and holders of 25% or more of the company's shares (as applicable) must be included or the proposal may be disqualified.

V. PRIVACY NOTICE

This section provides notice to proposers. No action by proposers is necessary.

3.2 PROPOSAL EVALUATION CRITERIA

Incumbent Preference

0 Points

Incumbent proposals are awarded points based on annual Performance Evaluations (See DPR 531 in the Sample Concession Contract) performed by the State as follows. There are no current incumbents for these proposed concession operations.

Overall Rating of Evaluation	Number of Years Rating Was Received	Points Awarded
"Excellent"	3 out of last 3 years	5 points
"Excellent" with no "needs improvement" or "unsatisfactory"	2 out of last 3 years	3 points
"Excellent" with no "needs improvement" or "unsatisfactory"	1 out of last 3 years	2 points
Satisfactory	3 out of last 3 years	1 point
"needs improvement" or "unsatisfactory"	1 out of last 3 years	- 1 point
"needs improvement" or "unsatisfactory"	2 out of last 3 years	- 3 points
"needs improvement" or "unsatisfactory"	3 out of last 3 years	- 5 points

Small Business Preference

5 Points

Five points will be awarded to those proposers who have a complete and certifiable application on file with the Office of Small Business Certification.

Experience

10 Points

For the purposes of this RFP, proposers must have a minimum of three (3) years' experience owning, managing, or operating a business of similar size, type, and scope as the concession operations set forth and envisioned by this RFP. The proposer will be rated according to the years of relevant experience as verified by references and the quality of experience as it relates to the business described in this RFP. In addition, points are awarded for experience contracting with public agencies, and for experience operating within a significant historic building, where applicable.

Single Proposal Preference

5 Points

Five points will be awarded to those proposals that include all three business opportunities in one proposal.

Operation Plan

20 Points

A maximum of twenty (20) points will be awarded based upon the degree to which the proposal addresses each of the elements described in Section II Proposal Information and identified in the DPR 398, Concession Proposal.

Interpretive Plan**15 Points**

A maximum of fifteen (15) points will be awarded based upon the degree to which the proposal addresses each of the elements described in Section II Proposal Information and identified in the DPR 398, Concession Proposal.

Facility Improvement Plan**20 Points**

A maximum of twenty (20) points will be awarded based upon the degree to which the proposal addresses each of the elements described in Section II Proposal Information and identified in the DPR 398, Concession Proposal.

Rental Offer**25 Points**

For the purpose of assigning points in the Proposal Evaluation, the highest acceptable rental offer* for each category of rent required (Minimum Annual Rent and Percentage of Gross Sales) will be assigned the maximum points available for that category. Each lower rental offer will be assigned points in relation to the highest rental offer as follows:

Catering Concession Proposals

Minimum Annual Rent (Minimum bid is \$30,000)

$\frac{(\text{Bid Amount}) \text{ minus } (\text{Minimum Annual})}{(\text{Highest Bid Amount}) \text{ minus } (\text{Minimum Annual})} \times 15 \text{ points} = \underline{\hspace{2cm}} \text{ points}$

Percentage of Gross Sales up to \$300,000 (Minimum bid is 10%)

$\frac{(\text{Bid Amount})}{(\text{Highest Bid Amount})} \times 5 \text{ points} = \underline{\hspace{2cm}} \text{ points}$

Percentage of Gross Sales over \$300,000 (Minimum bid is 12%)

$\frac{(\text{Bid Amount})}{(\text{Highest Bid Amount})} \times 5 \text{ points} = \underline{\hspace{2cm}} \text{ points}$

Specialty Retail/Food Concession Proposals

Minimum Annual Rent (Minimum bid is \$5,000)

$\frac{(\text{Bid Amount}) \text{ minus } (\text{Minimum Annual})}{(\text{Highest Bid Amount}) \text{ minus } (\text{Minimum Annual})} \times 15 \text{ points} = \underline{\hspace{2cm}} \text{ points}$

Percentage of Gross Sales (Minimum bid is 5%)

$\frac{(\text{Bid Amount})}{(\text{Highest Bid Amount})} \times 10 \text{ points} = \underline{\hspace{2cm}} \text{ points}$

*Note: The highest bids received may not be considered acceptable. Proposers may be required to prove to the satisfaction of the State their ability to operate a successful business under their rental offer. Failure to prove this ability will be cause to disqualify the proposal. In this case, the second highest acceptable bid would be used to calculate points awarded.

3.3 PROPOSAL EVALUATION SHEET

LEVEL I COMPLIANCE WITH RFP REQUIREMENTS

PROPOSER QUESTIONNAIRE

I. PROPOSER INFORMATION

- | | | |
|----|---|-------------------------|
| A. | Proposer Identification | _____ (pass/disqualify) |
| B. | Business Information | _____ (pass/disqualify) |
| C. | Individual Information – Minimum Experience | _____ (pass/disqualify) |
| D. | Statement of Financial Capability | _____ (pass/disqualify) |
| E. | Credit Worthiness | _____ (pass/disqualify) |
| F. | Financial/Business/Vendor References | _____ (pass/disqualify) |

II. PROPOSAL INFORMATION

- | | | |
|----|---------------------------|-------------------------|
| A. | Operation Plan | _____ (pass/disqualify) |
| B. | Facility Improvement Plan | _____ (pass/disqualify) |
| C. | Interpretive Plan | _____ (pass/disqualify) |
| D. | Rental Offer | _____ (pass/disqualify) |
| E. | Concession Feasibility | _____ (pass/disqualify) |

III. PROPOSAL SUMMARY

_____ (pass/disqualify)

IV. CERTIFICATION AND AUTHORIZATION

- | | | |
|----|--------------------------------------|-------------------------|
| A. | Labor Law Compliance Certification | _____ (pass/disqualify) |
| B. | Proposer Certification | _____ (pass/disqualify) |
| C. | Authorization to Release Information | _____ (pass/disqualify) |

PROPOSER BOND

_____ (pass/disqualify)

Proposer must pass LEVEL I to qualify for further consideration.

LEVEL II RENT PROPOSED/CREDIT WORTHINESS & ABILITY TO FINANCE

- A. Rent Proposed Met/Exceeded Minimum Requirement _____ (pass/disqualified)
- B. Ability to Finance _____ (pass/disqualified)
- C. Credit Worthiness _____ (pass/disqualified)
- D. Compliance with National Labor Relations Act _____ (pass/disqualified)

Proposer must pass LEVEL II to qualify for further consideration.

LEVEL III PROPOSAL EVALUATION

- A. Proposer Information
- Incumbent Preference _____ / 0 Points
 - Small Business Preference _____ / 5 Points
 - Quality of Experience _____ / 10 Points
- B. Proposal Information
- Single Proposal Preference _____ / 5 Points
 - Operation Plan _____ / 20 Points
 - Interpretive Plan _____ / 15 Points
 - Facility Improvement Plan _____ / 20 Points
 - Rental Offer _____ / 25 Points
 - Concession Feasibility _____ / Pass/Fail *

GRAND TOTAL _____ / 100 **Points**

Comments:

Board Member: _____ Date: _____

* A 'fail' rating in this category disqualifies the proposal.

3.4 CONCESSION PROPOSAL, DPR 398

If interested in submitting a proposal, please request the DPR 398 Concession Proposal forms from Jim Pine at (916) 653-7733 or email at jpine@parks.ca.gov. This provides the State with potential proposer contact information in the event there are changes to the RFP documents. Proposal forms will also be available at the Pre-Proposal Meeting.

SAMPLE CONCESSION CONTRACT

STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION

SAMPLE CONCESSION CONTRACT

For

**Dingley Steam Coffee and Spice Mill, Silver Palace, and Catering Service at
the California State Railroad Museum (CSRM)
Historic-Style Specialty Food/Retail Concessions**

Located Within
Old Sacramento State Historic Park
Sacramento County

Note: There will be up to three (3) contracts based on the contract awards.

STATE OF CALIFORNIA – NATURAL RESOURCES AGENCY
DEPARTMENT OF PARKS AND RECREATION
CONCESSIONS, RESERVATIONS, AND FEES DIVISION
1416 NINTH STREET, 14TH FLOOR
SACRAMENTO, CA 95814



Dingley Steam Coffee and Spice Mill, Silver Palace, and Catering Service at the
California State Railroad Museum (CSRM) Historic-Style Specialty Food/Retail
CONCESSION CONTRACT
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STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION

CONCESSION CONTRACT

For
**Dingley Steam Coffee and Spice Mill, Silver Palace, and Catering Service at
the California State Railroad Museum (CSRM)
Historic-Style Specialty Food/Retail Concession**
Located Within
Old Sacramento State Historic Park
Sacramento County

THIS CONTRACT is made and entered into by and between the STATE OF CALIFORNIA, acting through its Department of Parks and Recreation, hereinafter referred to as "State", and **ConcessionaireName DBA FictitiousBusName** of CityState, hereinafter referred to as "Concessionaire";

RECITALS

WHEREAS, California Public Resources Code Section 5080.05 et seq. authorizes the Department of Parks and Recreation to enter into concession contracts for the operation of state park system lands and facilities and;

WHEREAS, it is appropriate that the following contract be entered into for the safety and convenience of the general public in the use and enjoyment of, and the overall enhancement of recreational and educational experience at units of the state park system;

**NOW, THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN
THE PARTIES AS FOLLOWS:**

1. DESCRIPTION OF PREMISES

The State for and in consideration of the agreements hereinafter stated, grants to Concessionaire for the purposes stated herein, the right, privilege, and duty to develop, equip, operate, and maintain a nonexclusive concession within Old Sacramento State Historic Park in the Dingley Building at 111 "I" Street, and Silver Palace location at 920 Front Street, and Catering Service at the California State Railroad Museum at 125 "I" Street Sacramento as set forth in **Exhibit A**, attached to and made a part of this contract (the "Premises").

The possessory interest herein given to the Concessionaire does not exclude the general public from the Premises; however, the use by the general public is limited by the terms and conditions of the possessory interest given herein. This Contract is not intended to confer third party beneficiary status to any member of the public who is benefited by the terms of this Contract. The possessory interest is further subject to all valid and existing contracts, leases, licenses, encumbrances, and claims of title that may affect the Premises.

2. CONDITION OF PREMISES

The taking of possession of the Premises by the Concessionaire, in itself, shall constitute acknowledgment that the Premises are in good and sufficient condition for the purposes for which Concessionaire is entering into this Contract. Concessionaire agrees to accept Premises in their presently existing condition, "AS IS", and that the State shall not be obligated to make any alterations, additions, or betterments to the Premises except as otherwise provided for in this Contract.

3. TERM

The term of this Contract shall be for a period of five (5) years with a five (5) year option to renew at the State's option commencing on the first day of the month following approval by the California Department of General Services. Should Concessionaire hold-over after the expiration of the term of this Contract with the express or implied consent of the State, such holding-over shall be deemed to be a tenancy from month-to-

month at the herein stated prescribed rent as set forth in this Contract in Section 34, "Surrender of Premises; Holding Over", of this Contract, with continuous Consumer Price Index adjustment, as defined below, subject otherwise to all the terms and conditions of this Contract.

For purposes of this Contract, the term "Contract Year" shall mean each one-year period of time that commences on the commencement date identified above, extending twelve (12) months therefrom, and continuing from each anniversary throughout the term of the Contract.

4. **RENT**

Concessionaire shall pay, without offset, deduction, prior notice, or demand, as "Minimum Annual Rent":

The sum of Five Thousand Dollars (\$5,000) [or as bid] per year or five percent (5%) [or as bid] of monthly gross receipts, whichever sum is greater (for Dingley Steam Coffee and Spice Mill); and

The sum of Five Thousand Dollars (\$5,000) [or as bid] per year or five percent (5%) [or as bid] of monthly gross receipts whichever sum is greater (for the Silver Palace); and

The sum of Thirty Thousand Dollars (\$30,000) [or as bid] per year or ten percent (10%) [or as bid] of monthly gross receipts up to \$300,000; plus twelve percent (12%) [or as bid] of monthly gross receipts over \$300,000, whichever sum is greater (for Catering Service at the California State Railroad Museum).

Beginning with Contract Year Six (6) and on the first day of each fifth Contract Year thereafter, the Minimum Annual Rent [as bid] shall be adjusted to reflect changes in the Consumer Price Index (CPI). Such CPI adjustments shall be made in accordance with the procedure set forth in **Exhibit B**, attached to and made a part of this Contract.

Concessionaire shall make payment of Minimum Annual Rent and other payments to State in lawful money of the United States. However, if any payment made by a check, draft, or money order is returned to State due to insufficient funds or otherwise, State shall have the right, at any time after the return, upon written notice to

Concessionaire, to require Concessionaire to make all subsequent payments in cash or by cashier's or certified check.

Beginning with the fifteenth (15th) day of the month following the opening of the concession for business, and on or before the fifteenth (15th) day of each month thereafter, Concessionaire shall furnish to State a verified statement of the concession's gross receipts for the preceding month. Such statement shall be submitted on Form DPR 54, "Concessionaire's Monthly Report of Operation", attached hereto as **Exhibit C**, or in a format previously approved by the State, and shall specify the current period and cumulative total of gross receipts for the concession through the end of the preceding month for the then current Contract Year. Concessionaire shall also provide such statement for periods of non-operation. Concurrent with such monthly statement, the Concessionaire shall pay to State the appropriate rental fee for the preceding calendar month as prescribed above. Payments to State shall be made to the order of the Department of Parks and Recreation and delivered to the District Office identified herein below or at such other location as may from time to time be designated by State. If, at the end of the Contract Year, the total of monthly percentage rental payments made (or due) during that Contract Year is less than the Minimum Annual Rent required for that Contract Year, the difference shall be remitted to State with the last monthly sales statement for the Contract Year. Payments must be received by State on or before the fifteenth (15th) day of the month as described above. Any late payment shall constitute a breach of contract, giving rise to State's remedies as set forth below. Further, any late payment will be subject to a late penalty consisting of an administrative charge on the late amount, calculated at the rate of five percent (5%) of the amount of the late payment or portion thereof. The parties agree that the late charge represents a fair and reasonable estimate of the costs State will incur because of late payment. Acceptance of the late charge by State shall not constitute a waiver of Concessionaire's default for the overdue amount, nor prevent State from exercising the other rights and remedies granted under this Contract. Concessionaire shall pay the late charge as additional rent with the next monthly rent payment.

_____ **[Initials of concessionaire(s)]**

Any amount due to State, if not paid within five (5) days following the due date, will bear interest from the due date until paid at the rate of ten percent (10%) per year. However, interest shall not be payable on late charges incurred by Concessionaire, nor on any amounts on which late charges are paid by Concessionaire. Payment of interest shall not excuse or cure any default by Concessionaire.

Upon written request by the Concessionaire to State demonstrating unusual or extenuating circumstances causing the late payment, the State, in its sole discretion, may waive the late charge. Further, in the event Concessionaire is prevented from carrying on the operations contemplated herein by reason of an Act of Nature or other reasons beyond Concessionaire's control, and when requested in writing in advance by Concessionaire, Minimum Rent may be abated in proportion to the amount by which gross receipts are reduced by the occurrence for such period of reduced or non-operations, as determined in the sole discretion of State.

If this Contract is terminated by State because of Concessionaire's default, and if Concessionaire becomes liable for any deficiency in rent and/or fees by way of damages or otherwise, or if at any time during the Contract term Concessionaire ceases to conduct in the Premises the business referred to herein below, then from and after the time of the breach causing this termination, or from and after the time of the cessation of business, all unpaid rent and/or fees prior to the breach causing termination or cessation of business shall become due and payable. The amount due shall be deemed to be the greater of: (a) the Minimum Rent provided herein, or (b) an amount based upon the average of the payments that have accrued to State as percentage rent during the twenty-four (24) months preceding the termination or cessation of business, unless the termination or cessation occurs within three (3) years of the beginning of the Contract term, in which event the previous twelve (12) (or fewer, if applicable) months shall be used as the basis of this average.

5. USE OF PREMISES

The Premises shall be used by the Concessionaire for the operations of a historic-style specialty food/retail concession consistent with the State approved "Operation Plan", "Facility Improvement Plan", and "Interpretive Plan" as proposed by

Concessionaire and modified by State as is reasonable and necessary to meet the intention of the State for this concession operations and the mission of the Department. The "Operation Plan", "Facility Improvement Plan", and "Interpretive Plan" are incorporated herein and made part of this contract as **Exhibits D, E, and F**, respectively.

A. Interpretive Period: For the Dingley Spice Mill and the Silver Palace, Concessionaire shall provide a retail operation that creates and perpetuates as closely as possible the Transitional/American Period of 1848-1872 in Sacramento. All aspects of the concession's décor and ambiance, including furnishings, lighting, counters, shelving, window treatments, display pieces, music, retail product, and interior and exterior signage, shall be appropriate to the Interpretive Period. Modern equipment shall be disguised or hidden from public view; this includes but is not limited to cash registers, fans, and credit card machines. Music must be appropriate to the interpretive period and audible only within the boundary/footprint of the concession facility. All concession employees visible to or engaging with the public shall be dressed in attire appropriate to the Interpretive Period and the retail business being depicted. Concessionaire's employees shall be neat and clean in appearance and will be courteous towards patrons, the public, and their fellow employees. Music not of the time period, such as contemporary music, is not allowed. All entertainers must be in historic period attire and play instruments from the park's interpretive period unless otherwise approved in writing by the State. Concessionaire shall be solely responsible for any liability associated with licensing and royalties for music.

B. Concession services shall be provided at the Dingley Building and Silver Palace up to seven days a week, 362 days per year. Concessionaire may propose longer hours to accommodate high seasonal use of the unit and special events, but a minimum level of operation should be at least:

- Weekends mid-March to mid-September 8 a.m. to 2 p.m.
- All Monday holidays within peak season of mid-March to mid-September 8 a.m. to 2 p.m.
- Concession may be closed the last Thursday in November, December 25th, and January 1st.

C. In the event State deems the hours of operations inadequate for proper service to the public, State may require Concessionaire to adjust the days and/or hours of operations to a schedule provided by State. Concessionaire may remain open on other dates, observing same (or longer) hours, at Concessionaire's discretion with the concurrence of State. In the event of adverse weather or other operating conditions, State may permit the concession to close at any time during the term of this contract.

D. Concessionaire shall not use or permit the Premises to be used in whole or in part during the term of this contract for any purpose other than as herein set forth without the prior written consent of the State.

E. Catering Services Concession at the Railroad Museum, all employees shall be neatly attired in uniforms that properly identify the Concessionaire. All uniform designs are subject to prior approval by the District Superintendent or designee.

1) Concessionaire shall provide catering services for special events and facility rentals booked by the District Superintendent or designee. The catering services shall be provided for all special events including breakfast, lunch, or dinner, seven (7) days per week, 362 days per year upon request. The CSRM is closed and no events shall be scheduled the last Thursday of November, December 25th, or January 1st.

2) Concessionaire shall provide various types of cuisine and a variety of menus for breakfast; lunch, hors d'oeuvres, dinner, buffets, dessert, and beverages. Concessionaire shall offer a selection of bar service packages and a variety of moderately priced wines.

3) The intent of this Contract is for the Concessionaire to provide catering services without the use of a subcontractor. State reserves the right to retain outside catering services for up to 18 days per year for State-sponsored events. Any other use of facilities by an outside caterer to accommodate a unique public request is at the discretion of the Concessionaire with State's prior approval.

4) State will endeavor to bring a wide variety of exhibits, events, meetings, and civic functions to the CSRM. However, State makes no

warranty, express or implied, concerning the predictability and/or probability of such events.

5) Scheduling of Events: Scheduling of events requiring the services of Concessionaire shall be coordinated through the District Superintendent or designee. State shall make event calendar available for Concessionaire viewing. Concessionaire may hold events upon approval of the District Superintendent or designee based on space availability and operational considerations. Such events or rentals are subject to State Special Event process and fees.

6) Hours of Operation: Concessionaire shall provide services as needed, 24 hours a day, every day the CSRM is open.

7) Minimum Staffing – Concessionaire shall provide event staffing in accordance with the following minimum standards:

a) Servers: One for every twenty-four (24) guests at sit down meals; one for every thirty-two (32) guests at buffets; one for every one hundred (100) guests at cocktail parties.

b) Bussers: Bus staff shall be provided at one-half (1/2) the ratio of servers.

c) Bartenders: One for every one hundred (100) guests for host bars; one for every one hundred twenty-five (125) guests for no-host bars.

d) Concessionaire shall increase the number of serving staff as requested by the District Superintendent if, in the opinion of the District Superintendent, the level of service to the public is deemed unsatisfactory.

8) Concessionaire shall provide products of quality and at prices consistent with similar products presently being offered in other similar facilities. Any paper products shall be biodegradable.

F. The signing of this Contract by the Concessionaire shall constitute acknowledgement by Concessionaire that he/she shall whole-heartedly support the policies of the State regarding the historical interpretation of the CSRM and the park.

6. FACILITY IMPROVEMENT PLAN AT CSRM

Concessionaire shall plan design, construct, and complete facility improvements (as provided in proposal), including, but not limited to electrical upgrades and audio equipment necessary to commence and maintain services to the public, as approved by State and attached hereto as **Exhibit E**, Facility Improvement Plan, attached hereto and made part of this Contract.

7. HEALTHY FOODS INITIATIVE

As the primary food providers in California State Parks, participation by concessionaires in the State's efforts to promote healthy and sustainable food practices is critical. To that end and in accordance with State's mission to provide for the health of Californians, Concessionaire shall promote the importance of healthy, locally and sustainably grown, organic foods, and shall use sustainable practices, organic ingredients, and recycled products whenever possible. These practices shall include the following:

- A. To the extent possible, Concessionaire shall develop a network of local farmers and ranchers who are dedicated to sustainable agriculture and can assure a steady supply of pure and fresh ingredients.
- B. Concessionaire shall offer a selection of food and beverage items that conform to the definition of healthy foods as defined by the U.S. Department of Agriculture and the Food and Drug Administration in the Code of Federal Regulations, Title 9, Section 317 and Title 21, Section 101.
- C. Concessionaire shall offer a selection of beverages with no sugar added, such as bottled water, natural fruit juices, and tomato juice.
- D. To the extent possible, Concessionaire shall provide food products that are as pure and natural as possible, without synthetic additives, pollutants, or unnecessary packaging and marketing.

- E. To the extent possible, Concessionaire shall develop interpretive materials and programs that demonstrate the vital role of food in human culture, and how food affects quality of life.
- F. To the extent possible, Concessionaire shall offer interpretive demonstrations regarding the sound and sustainable production of food and healthful and traditional means of cooking.
- G. To the extent possible, Concessionaire shall develop a demonstration kitchen that provides maximum access to park visitors to view healthy food preparation techniques and that can be used to host educational food and cooking programs. Such a kitchen should include, where possible, food preparation areas that are visible to the public, and ceiling or otherwise elevated/mounted mirrors to maximize public viewing of food preparation techniques.

8. **BONDS**

All bonds required under this Contract must be in a form satisfactory to State, issued by a corporate surety licensed to transact surety business in the State of California.

A. **Performance Bond:** Concessionaire, at Concessionaire's own cost and expense, agrees to obtain and deliver to State, prior to the commencement date of this Contract and prior to entering the Premises, and shall maintain in force throughout the term of this Contract, a valid Performance Bond (which may be renewed annually) in the sum of Six Months of the Minimum Annual Rent [as bid] for each concession payable to the State. This bond shall insure faithful performance by Concessionaire of all the covenants, terms, and conditions of this Contract inclusive of, but not restricted to, the payment of all rentals, fees, and charges and prompt performance of and/or payment for all maintenance obligations. In lieu of a bond, the Concessionaire may substitute another financial instrument (such as an Irrevocable Standby Letter of Credit), which must be sufficiently secure and acceptable to State. At least thirty (30) days prior to the expiration or termination of said bond or acceptable financial instrument, a signed endorsement or certificate showing that said bond or financial instrument has been

renewed or extended shall be filed with the State. Within 15 days of State's request, Concessionaire shall furnish State with a signed and complete copy of the valid bond or financial instrument.

B. Construction Payment Bond: Prior to the commencement of construction required hereunder, Concessionaire shall furnish the State with a bond, listing Concessionaire's contractor(s) as principals, in a sum not less than **fifty percent (50%)** of the total cost of the construction. The bond shall guarantee payment by Concessionaire of all materials, provisions, provender, supplies, and equipment used in, upon, for, or about the performance of said construction, and protects the State from any liability, losses, or damages arising therefrom. In no event shall Concessionaire allow the imposition of a mechanics' lien or other lien on the concession property, and at its sole expense shall take all steps to remove such liens or the threat of such liens.

C. Construction Performance Bond: Prior to the commencement of construction required hereunder, Concessionaire shall furnish the State with a bond, listing Concessionaire's contractor(s) as principals, in a sum not less than **fifty percent (50%)** of the total cost of the construction. The bond shall guarantee faithful performance of the construction by Concessionaire's contractor.

D. Concessionaire acknowledges that allowing the Performance Bond or other security instrument(s) to expire or otherwise terminate and/or allowing the total secured amount to fall below the security required herein will cause State to incur costs and significant risks not contemplated by this Contract, the exact amount of which will be difficult to ascertain. These costs include, but are not limited to, administrative costs and other expenses necessary to ensure continued performance of services for the public and protection of the Premises. Accordingly, if Concessionaire allows the Performance Bond or other security instrument to expire or otherwise terminate and/or allows the total secured amount to fall below the security required pursuant to this Contract, Concessionaire shall pay to State an amount equal to five percent (5%) of the required security or five thousand dollars (\$5,000), whichever is greater. The parties agree that this charge represents a fair and reasonable estimate of the costs State will incur. Acceptance of this charge by State shall not constitute a waiver of Concessionaire's default, nor prevent State from exercising the other rights and

remedies available to it under this Contract or applicable law, including the right to terminate this Contract and seek the payment of damages.

_____ **[Initials of concessionaire(s)]**

9. INSURANCE

A. Concessionaire shall provide before entering the Premises and shall maintain in force throughout the term of this Contract the following insurance:

- 1) Commercial General Liability Insurance: Concessionaire shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with \$2,000,000 annual policy aggregate. The policy shall include coverage for liabilities arising out of Premises, operations, independent contractors, products, completed operations, personal and advertising injury. Liquor Liability. Where alcohol sales are permitted, Concessionaire shall include liquor liability with limits no less than \$1,000,000.
- 2) Automobile Liability. Concessionaire shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of motor vehicles including owned, hired and non-owned motor vehicles used by Concessionaire in the conduct of business under this Contract.
- 3) Workers' Compensation Insurance. Concessionaire shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of this Contract. Employer's liability limits of \$1,000,000 are required.
- 4) Property Insurance. Concessionaire shall provide property coverage for damage caused by fire, vandalism or natural disaster with limits based on the estimated replacement value of facilities occupied by Concessionaire.
- 5) Business Interruption Insurance: Insurance policy shall include coverage to guarantee State rental revenue stream during any period of

non-operation or any period of curtailed operation not solely attributable to State. Policy shall guarantee such compensation for a minimum period of one (1) year.

B. In the event of destruction, loss, or damage by fire or other cause of any of the State-owned buildings, improvements, or fixtures located on the Premises that the State determines (1) to be essential to the continued operations of the Contract and (2) cannot be repaired within one-hundred-eighty (180) days of the occurrence, the State may terminate this Contract. A decision by the State to terminate the Contract under this provision shall be communicated in writing to Concessionaire as soon as practicable. If the Contract is so terminated, State shall be entitled to the proceeds payable under any applicable insurance policies pertaining to the loss as its interest may appear. Receipt of such proceeds by State shall be in addition to the right of State to pursue whatever other remedies it may have to recover any losses due to the occurrence. If the State determines not to terminate the Contract, then, in State's discretion, any buildings, improvements, or fixtures built in replacement of any damaged or destroyed property shall be subject to the terms and provisions of this Contract as if they had existed at the onset. In no event shall the provisions of this Section be deemed or construed to relieve Concessionaire from the requirement to repair or replace any damaged or destroyed property except as specifically excepted by express terms of this Contract.

C. Each policy of liability insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Concessionaire's limit of liability. The policy must include the State of California, Department of Parks and Recreation, its officers, agents, employees and servants as additional insured. This endorsement must be supplied under form acceptable to State.

D. Concessionaire must provide State with 30 days written notice of changes to insurance policy, including cancellation. In the event Concessionaire fails to keep in effect at all times the specified insurance coverage, State may, in addition to other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.

E. Each policy shall be underwritten to the satisfaction of the State. Concessionaire shall submit to State a signed and complete certificate of insurance with all endorsements required by this Section, showing to the satisfaction of State that such insurance coverage has been renewed or extended. Within fifteen (15) days of State's request, Concessionaire shall furnish State with a signed and complete copy of the required policy.

10. ALCOHOLIC BEVERAGES

Concessionaire may provide beer and wine, and/or distilled spirits with bona fide meals only in the Silver Palace or California State Railroad Museum for on-premises consumption only. A competent adult person twenty-one (21) years of age or over shall be on the premises at all times to supervise the sale of alcoholic beverages. Further, the sale of alcoholic beverages shall be subject to any regulations established for the State Park System by the Director of the Department of Parks and Recreation and the regulations established by the Department of Alcoholic Beverage Control.

11. CONSTRUCTION AND COMPLETION OF IMPROVEMENTS

A. Facility Development: At Concessionaire's sole cost and expense, Concessionaire shall be responsible for the scheduling and securing of all environmental permits, design, construction permits, construction, construction mitigation measures, completion, and installation of facility improvements, décor, equipment, fixtures, and furnishings as described in the Concessionaire's "Facility Improvement Plan", incorporated herein and made part of this Contract as **Exhibit E**. Implementation of the Plan shall be in accordance with State's Guidelines for Construction Completion of Improvements, as provided by State and which may be updated from time to time, and generally as follows:

B. Plan Amendment: Concessionaire shall meet with State within 14 days of contract execution to review the implementation plan and modify as reasonable and necessary to meet the intention of the State for this concession operation and the mission of the Department.

C. Schematic Design: Within four (4) weeks of contract execution, Concessionaire shall provide to State for its review and approval a Schematic Design. The State shall not unreasonably withhold such approval. The objective of the Schematic Design is to clearly define the Facility Improvement Plan and should include a site plan, building floor plans, all building elevations, outline specification, and any additional detailed specifications necessary to describe project work, floor area usage, Critical Path Method (CPM) or Gantt-type chart construction schedule, and Preliminary Statement of Probable Construction Cost. In developing such materials, Concessionaire shall consider the Project Evaluation Form provided by State to evaluate environmental permit requirements. If the State disapproves any element of the program statement, Concessionaire shall promptly submit to State all necessary modifications and revisions.

D. Design Development: Within four (4) weeks of State's approval of Concessionaire's Schematic Design, Concessionaire shall submit the Design Development for State's review and approval. The State shall not unreasonably withhold such approval. The objective of the Design Development is to define and describe all the important aspects of the Facility Improvement Plan and should include the necessary details of each element of the Schematic Design to adequately convey key conditions of major improvements. In addition, the Design Development should include Reflected Ceiling Plans, Schedules, Structural Requirements, Plumbing, Mechanical, and Electrical Plans, Food Service Requirements, Color Boards, Material and Systems Specifications, and an updated construction schedule and Preliminary Statement of Probable Construction Cost. If the State disapproves any element of the Design Development, Concessionaire shall promptly submit necessary modifications and revisions. Concessionaire shall concurrently complete California Environmental Quality Act (CEQA) and other environmental documents as may be required, and file such with California State Clearinghouse.

E. Working Drawings: Within four (4) weeks of State's approval of Concessionaire's Design Development, Concessionaire shall submit Working Drawings for State's review and approval. The State shall not unreasonably withhold such approval. The objective of the Working Drawings is to set forth in detail the

requirements for construction of the Facility Development Plan including bidding and contracting. At a minimum, the drawings should include all Design Development elements plus: complete documentation of quantities, qualities, and relationships of all work required to construct the Facility Improvement Plan; documentation of decisions made in the Design Development phase; all documentation needed for obtaining regulatory and State approvals; construction schedule; and the final Statement of Probable Construction Cost. If the State disapproves any drawings, plans or specifications, Concessionaire shall promptly submit necessary modifications and revisions. No changes or alterations shall be made to the approved Working Drawings without prior written approval of State.

F. Use of Consultants: Concessionaire shall employ licensed Contractor(s) in the completion of all required construction work. Additionally, Concessionaire shall utilize professional contractors and consultants, including architects(s) and engineer(s), acting in accordance with the latest American Institute of Architects' standards of practice to develop comprehensive construction plans, including schematic design plans, design development plans, and working drawings, and to conduct independent inspections and monitoring of all construction. Concessionaire agrees to select contractors and consultants who are licensed to practice in the State of California and are acceptable to the State. However, in no event shall State be deemed to have control of or be responsible for Concessionaire's final hiring decisions, the day-to-day management of the project, or administration of contracts with contractors or consultants. Contracts between Concessionaire and any contractor or consultant must be approved in writing by State in advance of execution by Concessionaire.

G. Permits: At its sole cost and expense, including mitigation costs, Concessionaire shall obtain all permits, licenses, and other approvals necessary for the construction and completion of the Facility Improvement Plan. Such permits may include, but are not limited to, those required under the California Environmental Quality Act (CEQA), Public Resources Code 5024, County Health Department, California Coastal Act, California Building Code, and State Fire Marshal. Any plans to comply with the Americans with Disabilities Act of 1990 (ADA) require written approval from State's Accessibility Section, in accordance with Section 40, Disabilities Access Laws, of this

Contract. Concessionaire shall reimburse State for all costs incurred by State on behalf of Concessionaire in association with acquisition of said permits. State will produce records of such costs for review by Concessionaire on a monthly basis. The State shall cooperate with Concessionaire with respect to securing said permits including the execution of documents required by a governmental authority to be initiated by State. In the event Concessionaire, having exercised all due diligence in applying for and seeking all approvals, cannot secure all required permits within two (2) years from Concessionaire's taking possession of the premises, the State shall have the option to terminate this Contract

H. State Approval/Acceptance of Plans and Work: Concessionaire shall allocate a minimum of thirty (30) days in construction schedules for each required review by State. Concessionaire shall reimburse State for all professional services, including but not limited to architectural, engineering, construction monitoring, inspection, plan review and approval. State will produce records of such costs for review by Concessionaire on a monthly basis. State's approval of the work and plans shall be for the purpose of determining that such work conforms in scope and quality to State's policies and standards, and in no way shall relieve Concessionaire or its contractors or subcontractors of the responsibility to perform and complete the work (1) in accordance with generally accepted industry standards, (2) faithfully adhering to the approved plans, specifications, and drawings, and (3) in accordance with all applicable codes, laws, regulations, or other requirements, including but not limited to The Secretary of the Interior's Standards for the Treatment of Historic Properties (The Standards) and The Secretary of the Interior's Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings (The Guidelines). Additionally, all sub-surface work must be examined by a State approved archeological consultant at the proposer's expense prior to work being done, and the standards contained in this contract.

Permission to start construction will not be granted until all required permits and approvals have been secured.

I. Alterations: It is the intent of this Contract and the contracting parties that the concession facilities contemplated herein shall not only be constructed in

accordance with the requirements herein, but in coordination with State's development of the unit. The State, in its discretion after consultation with Concessionaire, may alter the Facility Improvement Plan and Working Drawings and construction schedule, and/or the construction timeline to agree with its schedule of development for the unit. Any changes to the timeline shall not be earlier than the dates set forth in the Working Drawings, as approved by State, except with concurrence of Concessionaire.

J. Completion of Improvements: Upon State approval of the Working Drawings and receipt of all required permits, licenses, and other approvals, Concessionaire shall commence construction to the facility as described herein, and prosecute the same to completion with all due diligence and within the State's approved contractor construction schedule. Such time shall be extended as reasonably necessary in the event of delays caused by fire, earthquakes, wars, strikes, adverse weather, or other calamity beyond Concessionaire's control. Concessionaire shall hold monthly or more frequent status meetings throughout the period of construction, which shall include representatives of the general contractor, appropriate subcontractors, a representative of Concessionaire, and a representative of the State.

Upon completion of construction, Concessionaire shall (1) file a Notice of Completion of Construction in County within which work was executed, and identify State as recipient of recorded document; (2) secure Certificate of Occupancy if required by State Fire Marshal; (3) provide State with a complete set of "as-built" plans and updated specifications for all improvements in a format acceptable to State; (4) submit evidence that all improvements are clear of any mechanic's liens; (5) have work certified by a licensed architect or engineer to be in compliance with the Working Drawings as approved by State and all applicable building or other laws, codes, or regulations; (6) secure sign-off for CEQA compliance; (7) have work inspected by the State's Accessibility Section for compliance with ADA and (8) submit an account of the cost for all facility improvements, excluding equipment and trade fixtures that are the personal property of Concessionaire.

The cost accounting as required by item (8) above shall include cost statements and substantiating invoices for all project expenses including labor and materials. After such accounting has been examined by State, State in its sole discretion will establish in

a reasonable and fair manner the cost of facilities and improvements for the purposes of evaluating Concessionaire's compliance with the facility development expenditure requirements of this Contract. In the event such accounting is not filed by Concessionaire at the time specified, State shall estimate the cost of the project and serve notice of same on Concessionaire in the manner provided herein.

When Concessionaire has obtained lien releases, filed the Notice of Completion, received Certificate of Occupancy as required, and received written acceptance from the State, subject to all other provisions of this Contract, Concessionaire shall have the right to commence concession business operations.

12. **CONTRACT NOTICE**

Any notices required to be given or that may be given by either party to the other shall be deemed to have been given when made in writing and deposited in the United States mail, postage prepaid, and addressed as follows:

Concessionaire at: Concessionaire

Address

CityState Zip

Phone

State at:

Department of Parks and Recreation

Capital District

111 "I" Street

Sacramento, CA 95814

(916) 445-7373

Copy to:

Department of Parks and Recreation

Concessions, Reservations & Fees Division

P.O. Box 942896

Sacramento, California 94296-0001

916-653-7733

The address to which notices shall or may be mailed as aforesaid by either party shall or may be changed by written notice given by such party to the other, but nothing in this Section shall preclude the giving of any such notice by personal service.

13. **RECORDS AND REPORTS**

Concessionaire shall keep separate true and accurate books and records showing all of Concessionaire's business transactions under this Contract in a manner that conforms to industry standards and practices and in a manner acceptable to State. Concessionaire shall keep all records for a period of at least four years.

In accordance with Public Resources Code Section 5080.18(b), copies of all sales and use tax returns submitted by Concessionaire to the California State Board of Equalization, the Employment Development Department, the Franchise Tax Board, or any other governmental agency shall be concurrently submitted to State.

In accordance with Public Resources Code Section 5080.18(c), State shall have the right through its representative and at all reasonable times to conduct such audits as it deems necessary and to examine and copy Concessionaire's books and records including all tax records and returns. Concessionaire hereby agrees to make all such records, books, and tax returns available to State upon State's request therefor. Concessionaire further agrees to allow interviews of any employees who might reasonably have information related to such records.

Concessionaire will submit to State, no later than May 1st of each year during the term of this Contract, a verified profit and loss statement for the previous calendar year. Such statement shall be submitted on Form DPR 86, "Concessionaire's Financial Statement", attached hereto as **Exhibit G**, or in a format previously approved by the State, and shall contain an appropriate certification that all gross receipts during the yearly accounting period covered by said statement shall have been duly and properly reported to the State. Within forty-five (45) days of the expiration or termination of this Contract, Concessionaire shall submit to the State a profit and loss statement for the period of operations not previously reported prepared in the manner stated above.

Concessionaire shall obtain and install cash registers or other accounting equipment acceptable to the State, through which Concessionaire shall record all gross receipts from the operations of the concession. This equipment shall be non-resettable and shall supply an accurate recording of all sales on tape and produce a receipt for each transaction. All such equipment shall have a customer display that is visible to the

public. Concessionaire shall make all cash register tapes available to the State upon State's request. Concessionaire shall provide a cash register receipt to each customer setting forth the full amount of a sale.

14. GROSS RECEIPTS

The term "gross receipts", wherever used in this Contract, is intended to and shall mean all moneys, property, or any other thing of value received by or owed to Concessionaire and any sub-concessionaire or operator, if other than Concessionaire, through or in connection with the operations of the concession, including any concession related business carried on through the internet or catalog sales, or from any other business carried on or in connection with the Premises, or from any other use of the Premises, and/or of any business of any kind that uses the names licensed by this Contract, or that associates with or implies an endorsement by State, all without deduction. The term "gross receipts" shall not include any sales taxes imposed by any governmental entity and collected by Concessionaire.

Reservation deposits shall not be included in gross receipts until the services that relate to the deposit have been rendered by Concessionaire or the reservation has been canceled and the deposit has been retained by Concessionaire in accordance with the deposit policy as approved in advance in writing by the State. Such advance deposits shall be retained in an interest-bearing joint trust account. All earned interest, including interest earned on a reservation deposit, shall be included in gross receipts for the month such earned interest is reported to Concessionaire. Concessionaire shall cooperate with State in the transfer of any balance of reservation deposits, excluding accrued interest, to any new concessionaire upon contract termination.

15. RATES, CHARGES AND QUALITY OF GOODS AND SERVICES

Concessionaire shall staff, operate, manage, and provide all goods, services, and facilities offered in a first-class manner and comparable to other high quality concessions providing similar facilities and services. State reserves the right to prohibit or modify the sale or rental of any item, accommodation, or service for public safety and/or to ensure that the public receives, in the State's view, fair pricing, proper service,

and appropriate quality. State reserves the right to prohibit the sale or use of non-recyclable containers or plastics.

Any increased rates or charges to park visitors proposed by Concessionaire following contract approval shall be submitted in writing for the State's approval. Rate increases may not be imposed retroactively.

A competent person shall be on the premises at all times while the concession is in operation. If the on-site manager is other than the Concessionaire, State reserves the right to approve such manager.

16. PERFORMANCE EVALUATIONS AND INSPECTION

As part of its administration of this Contract, State will conduct periodic inspections of concession facilities, equipment, services, and programs and prepare written performance evaluations based upon its observations. A "Concessionaire Performance Rating" (DPR Form 531) attached hereto as **Exhibit H**, or other similar format(s) as may be adopted by the State will be utilized for evaluation purposes. State further reserves the right of ingress and egress without notice to inspect concession operations for the purposes of evaluating Concessionaire's performance of the terms and conditions of this Contract; to inspect, investigate, and/or survey the Premises; and to do any work thereon of any nature necessary for preservation, maintenance, and operations of the State Park System. Concessionaire agrees to cooperate with State in all respects related to the implementation of State's Concession Performance Evaluation program and with State's activities on the Premises. State shall not be liable in any manner for any inconvenience, disturbance, loss of business, nuisance, or other damage arising out of State's entry in the Premises as provided herein, except damage resulting from the active negligence or willful misconduct of State or its authorized representatives.

17. HOLD HARMLESS AGREEMENT

Concessionaire hereby waives all claims and recourse against the State, including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Contract, except claims

arising from, and to the extent of, the sole gross negligence or willful misconduct of the State, its officers, agents, or employees. Concessionaire shall protect, indemnify, hold harmless, and defend State, its officers, agents, and employees against any and all claims, demands, damages, costs, expenses, attorneys fees, expert costs and fees, or liability costs arising out of the development, construction, operations, or maintenance of the Premises property described herein and compliance with all laws, including but not limited to the Americans With Disabilities Act of 1990 as provided for herein, except for liability arising out of, and to the extent of, the sole gross negligence or willful misconduct of State, its officers, agents, or employees or other wrongful acts for which the State is found liable by a court of competent jurisdiction.

18. TAXES

A. By signing this Contract, Concessionaire acknowledges that occupancy interest and rights to do business on state property being offered Concessionaire by this Contract may create a possessory interest as that term is defined in Revenue and Taxation Code Section 107.6, which possessory interest may subject Concessionaire to liability for the payment of property taxes levied on such possessory interest.

B. Concessionaire agrees to pay all lawful taxes, assessments, or charges that at any time may be levied by the State, County, City, or any tax or assessment levying body upon any interest in or created by this Contract, or any possessory right that Concessionaire may have in or to the premises covered hereby, or the improvements thereon by reason of Concessionaire's use or occupancy thereof or otherwise, as well as all taxes, assessments, and charges on goods, merchandise, fixtures, appliances, equipment, and property owned by Concessionaire in or about the Premises.

19. MODIFICATIONS, ADDITIONS, TITLE TO IMPROVEMENTS

In the event that Concessionaire desires to make modifications, improvements, or additions to the Premises or any part of the Premises, including changes to structural design, required accessibility barrier removal work, landscape design, or interior or

exterior fixtures, design, and/or furnishings, (collectively "Alteration(s)"), the approval in writing of State shall be obtained prior to the commencement of any Alterations. State shall dictate the plan approval process.

The Premises as shown on **Exhibit A** include a state historic resource, as defined in Public Resources Code Section 5024. No alternation, modifications, demolition, or construction, , may be commenced without prior written approval from State in accordance with Public Resources Code Section 5024.5 and in the appropriate application of the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties.

Once any Alteration has been approved by State and the work has begun, Concessionaire shall, with reasonable diligence, prosecute to completion all approved Alterations. All work shall be performed in a good and workmanlike manner, shall fully comply with plans and specifications submitted to State as required herein, and shall comply with all applicable governmental permits, laws, ordinances, and regulations. It shall be the responsibility of Concessionaire, at its own cost and expense, to obtain all licenses, permits, and other approvals necessary for the construction of approved Alterations.

Title to all Alterations and improvements existing or hereafter erected on the Premises, regardless of who constructs such improvements, shall immediately become State's property and, at the end of the Term, shall remain on the Premises without compensation to Concessionaire. Concessionaire agrees never to assail, contest, or resist title to the Alterations and improvements. The foregoing notwithstanding, State may elect, by notice to Concessionaire, that Concessionaire must remove any Alterations that are peculiar to Concessionaire's use of the Premises and are not normally required or used by State and/or future occupants of the Premises. In this event, Concessionaire shall bear the cost of restoring the Premises to its condition prior to the installment of the Alterations.

20. PERSONAL PROPERTY

Except to the extent covered by Section 19, "Modifications, Additions, Title to Improvements", title to all personal property provided by Concessionaire shall remain in

Concessionaire. Concessionaire shall not attach any personal property to any building without first obtaining State's written approval. Unless approved in writing by State, all property attached to real property will be considered a real property improvement and shall become property of State at the time this Contract is terminated.

21. HOUSEKEEPING, MAINTENANCE, REPAIR AND REMOVAL

During the term of this Contract at Concessionaire's own cost and expense, Concessionaire shall maintain and operate the Premises and areas in, on, or adjacent to a distance of not less than fifty (50) feet, including personal property and equipment, in a clean, safe, wholesome, and sanitary condition free of trash, garbage, or obstructions of any kind. Concessionaire shall remedy without delay any defective, dangerous, or unsanitary conditions.

A. Housekeeping: Housekeeping activities are defined as all those activities concerned with keeping facilities clean, neat, and orderly, and includes, but is not limited to, mowing, raking, sweeping, vacuuming, mopping, stripping, waxing, dusting, wiping, washing, hosing, and other general care or cleaning of interior and exterior floors, walls, ceilings, doors, windows, facility fixtures, and all adjacent grounds and walks. Concession housekeeping shall conform to California State Park standards.

B. Maintenance and Repairs: Concessionaire shall maintain all concession facilities and personal property and equipment on the Premises in good condition and repair at Concessionaire's sole cost and expense at all times during the term of this Contract. Such maintenance shall conform to State Park standards and the U.S. Secretary of the Interior's Standards for Historic Properties. For the purposes of this Contract, the term "maintenance" is defined as all repair and preservation work necessary to maintain concession facilities and personal property and equipment in a good state of repair, as well as to preserve them for their intended purpose for an optimum useful life.

Pest inspections shall be performed regularly. Concessionaire will remedy all pest infestations in a timely manner. Concessionaire shall provide to State

copies of all pest inspection reports or other professional assessments of the condition of the facilities.

Should Concessionaire fail, neglect, or refuse to undertake and complete any required maintenance, State shall have the right to perform such maintenance or repairs for Concessionaire. In this event, Concessionaire shall promptly reimburse State for the cost thereof provided that State shall first give Concessionaire ten (10) days written notice of its intention to perform such maintenance or repairs. State shall not be obligated to make any repairs to or maintain any improvements on the Premises. Concessionaire hereby expressly waives the right to make repairs at the expense of State and the benefit of the provisions of Sections 1941 and 1942 of the Civil Code of the State of California relating thereto if any there be. State has made no representations respecting the condition of the Premises, except as specifically set forth in this Contract.

C. Removal and Restoration. At the expiration or sooner termination of this Contract, Concessionaire at its own expense shall remove all personal property brought onto the Premises by Concessionaire. Concessionaire, at Concessionaire's expense, shall restore and repair the Premises, and any of Concessionaire's improvements or fixtures remaining thereon, to a good, clean, safe, and fit condition, reasonable wear and tear excepted, and shall completely remedy all injuries to the Premises.

22. UTILITIES AND SERVICES

Concessionaire shall be responsible for all costs associated with the installation and provision of all utilities necessary to and used in connection with the Premises, including but not limited to sewage disposal. When installing facilities, no trees shall be trimmed or cut without permission of State. Removal and disposal of all rubbish, refuse, cooking grease and oils and garbage resulting from concession's operations shall be the Concessionaire's responsibility and shall be disposed of outside the park unit and in accordance with applicable laws and local ordinances. All trash containers and/or trash bins shall be adequately screened to the satisfaction of State.

23. RESOURCE CONSERVATION

A. Environmental Conservation Program: Concessionaire shall set a positive example in waste management and environmental awareness that shall lead to preservation of the resources of the State. Accordingly, Concessionaire shall prepare and execute a program, subject to the prior written approval of the State, designed to reduce environmental impacts that result from concession operations. This program shall address, but not be limited to: solid waste management, including reduction, reuse and recycling; water and energy conservation, pest management, grease removal and disposal, hazardous materials handling and storage, and air quality. Specifically, the program must include the following:

1) **Recycling and Beverage Container Programs:** The Concessionaire shall implement a source reduction and recycling program designed to minimize concession and patron use of disposable products, per Public Contract Codes Sections 12161 and 12200 et seq. Reusable and recyclable products are preferred over "throwaways". Where disposable products are needed, products that have the least impact on the environment will be selected. No Styrofoam containers or other non-biodegradable containers are to be used or sold by Concessionaire. The use of "post-consumer" recycled products is encouraged wherever possible.

The Concessionaire shall participate in the California beverage container redemption/recycling program. Products to be recycled include, but are not limited to, paper, newsprint, cardboard, bimetal, plastics, aluminum and glass. At the start of each Contract Year, Concessionaire and State shall review items sold, and containers or utensils used or dispensed by Concessionaire, and, whenever possible, eliminate the use of non-returnable or non-recyclable containers or plastics.

2) **Water and Energy Conservation:** The Concessionaire shall implement water and energy conservation measures. As new technologies are developed, Concessionaire shall explore the possibility of

integrating them into existing operations where there is potential for increased efficiency, reduced water or energy consumption, and/or reduced impacts on the environment.

3) **Erosion Control/Water Quality/Environmental Sensitivity:** The Concessionaire shall comply with all requirements set forth by various oversight agencies that have jurisdiction and oversight authority relating to the Premises and surrounding properties, including, but not limited to, erosion control, water quality and environmental sensitivity standards.

B. **Resource Management and Preservation:** Concessionaire shall comply with State's resource management and preservation mandates in the conduct of all activities that impact cultural, natural, or scenic resources. These mandates include the Public Resources Code Sections 5024 and 5097 et seq. the Department Operations Manual Chapter 300, and U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties.

C. **Air and Water Pollution Violation:** Under State laws, Concessionaire shall not be (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

24. HAZARDOUS SUBSTANCES

A. **Use of Premises:** On the Premises, Concessionaire shall not:

- 1) Keep, store, or sell any goods, merchandise, or materials that are in any way explosive or hazardous;
- 2) Carry-on any offensive or dangerous trade, business, or occupation;
- 3) Use or operate any machinery or apparatus that shall injure the premises or adjacent buildings in any way; or
- 4) Do anything other than is provided for in this Contract.

5) Nothing in this Section shall preclude Concessionaire from bringing, keeping, or using on or about said premises such materials, supplies, equipment, and machinery as is appropriate or customary in carrying-on Concessionaire's business.

6) Gasoline, oil, and other materials considered under law or otherwise to be hazardous to public health and safety shall be stored, handled, and dispensed as required by present or future regulations and laws.

B. Storage of Hazardous Materials: Concessionaire shall comply with all applicable laws and best practices pertaining to the use, storage, transportation, and disposal of hazardous substances. Concessionaire shall protect, indemnify, defend, and hold harmless the State or any of its affiliates, successors, principals, employees, or agents against any liability, cost, or expense, including attorney's fees and court costs, arising from illegal use, storage, transportation, or disposal of any hazardous substance, including any petroleum derivative, by Concessionaire. Where Concessionaire is found to be in breach of this provision due to the issuance of a government order directing Concessionaire to cease and desist any illegal action in connection with a hazardous substance, or to remediate a contaminated condition directly caused by Concessionaire or any person acting under Concessionaire's direct control or authority, Concessionaire shall be responsible for all cost and expense of complying with such order, including any and all expenses imposed on or incurred by the State in connection with or in response to such government order. Notwithstanding the foregoing, in the event a government order is issued naming Concessionaire, or Concessionaire incurs any liability during or after the term of the Contract in connection with contamination that preexisted the Concessionaire's obligations and occupancy under this Contract or prior contracts, or that were not directly caused by Concessionaire, the State shall be solely responsible as between Concessionaire and the State for all expenses and efforts in connection therewith, and State shall reimburse Concessionaire for all reasonable expenses actually incurred by Concessionaire therewith.

C. Certification: Upon termination of this Contract, when requested by State, Concessionaire shall provide certification prepared by a Certified Industrial Hygienist that there is no hazardous waste contamination and/or damage to the Premises.

D. Pest Control Activities: All pest control activities, chemical and non-chemical, shall be approved by the State prior to action by the Concessionaire. Concessionaire, or the pest control business acting on behalf of Concessionaire, shall submit a DPR 191, "Pest Control Recommendation" (or equivalent) to the State for approval. The State has fourteen (14) days to approve or deny the request. Such approval shall be solely for compliance with State's policies and in no way shall relieve Concessionaire or its contractors, employees, agents or representatives from compliance with all laws and regulations concerning such activities and from carrying out the work in a workmanlike manner.

Concessionaire, or the pest control business acting on behalf of Concessionaire, shall submit a report of completed work for each pest management action to the State no later than seven (7) days after performance of the work. The report may be submitted on a DPR 191, "Pest Control Recommendation" (or equivalent information).

25. EQUIPMENT

Concessionaire, at Concessionaire's own expense, shall completely equip the concession improvements described herein and shall keep the same equipped in a safe and first-class manner throughout the term of this Contract.

26. SIGNS AND ADVERTISING

No signs, logos, names, placards, or advertising matter shall be inscribed, painted, or affixed upon Premises, circulated, or published, including electronically or on the internet, without prior written consent of the State and only consistent with the purposes of the Contract. To the extent possible, signs and advertising shall conform to the publication titled A Guideline for Signs, Old Town Sacramento District.

27. PHOTOGRAPHY

State may grant permits to persons or corporations engaged in the production of still and motion pictures and related activities for the use of the Premises for such purposes when such permission shall not interfere with the primary business of Concessionaire. Such permits shall not be deemed to be a competitive activity with regard to Concessionaire's rights to possession and operations under this Contract.

28. INTELLECTUAL PROPERTY RIGHTS

A. Clarify Ownership of Pre-existing Intellectual Property Rights: Other than as specifically identified and authorized in this Contract, no names, logos, trademarks or copyrighted materials belonging to and/or associated with State Parks shall be used, circulated, or published without the express written consent of State Parks. Further, no such use, even if permitted herein, or otherwise, shall be deemed to instill in Concessionaire any rights of ownership on such names, logos, trademarks, copyrights or other materials, and any rights to such use shall not, under any circumstances, continue beyond the term of the Contract.

Any trademarks and/or copyrights belonging to Concessionaire prior to the commencement of the Contract shall remain in Concessionaire's sole ownership upon termination of the Contract.

During the course of this relationship, Concessionaire shall use the name, [Name]. Any additional and/or different names may be used only upon written agreement of State Parks.

B. Ownership of New Logos and Trademarks Developed During Contract: Any names, logos, and/or trademarks developed during and/or pursuant to this Contract that in any way associate with, identify or implicate an affiliation with State Parks and/or are funded by State Parks shall be approved in writing by State Parks, shall belong to State Parks upon creation, subject to express written agreement otherwise, and shall continue in State Park's exclusive ownership upon termination of the Contract. Further, all good will and other rights in said marks shall inure to the benefit of the State as the mark owner.

C. Ownership of new Copyrights, Developed by Concessionaire for State Parks, Absent a Separate Written Agreement: Any copyrighted materials developed and created by Concessionaire for State Parks during the term of this Contract shall be deemed to be “works for hire” under the United States Copyright Act 17 USC §101 et seq. and shall, unless otherwise agreed to in writing, belong to State Parks upon creation, and continue in State Park’s exclusive ownership upon termination of this Contract. Unless otherwise agreed to in writing, Concessionaire intends and agrees to assign to State Parks all rights, title, and interest in and all works created pursuant to this Contract as well as all related intellectual property rights.

Concessionaire agrees to cooperate with State Parks and to execute any document reasonably necessary to give the foregoing provisions full force and effect including, but not limited to, an assignment of copyright.

D. Concessionaire Rights in Separately Created Works: Any copyrighted materials and/or trademarks developed and created by Concessionaire separate and apart from this Contract, shall belong to Concessionaire, and shall continue in Concessionaire’s exclusive ownership upon termination of this Contract. In the event that any trademarks and/or copyrights are created by Concessionaire during the term of this Contract and same are proposed for use in connection with Concessionaire’s performance under the Contract, Concessionaire shall promptly notify State Parks in writing of its intention to retain ownership in the specific trademarks and/or copyrights.

E. Construction Projects and/or Concessionaire Deliverables: As stated above, any works developed by Concessionaire pursuant to this Contract, including all related copyrights and other proprietary rights therein, shall be deemed to be “works for hire” under the United States Copyright Act, 17 USC §101 et seq., and shall belong to State Parks upon creation, and continue in State Parks’ exclusive ownership upon termination of this Contract. These works shall include, but are not limited to, all drawings, designs, reports, specifications, notes, and other works developed in the performance of this Contract. Upon request, Concessionaire shall deliver to State Parks the disk or tape that contains

the design files of any work that is performed with the assistance of computer Aided Design and Drafting Technology, and shall specify the supplier of the software and hardware necessary to use said design files. Operator intends and agrees to assign to State Parks all rights, title, and interest in and to such materials as well as all related copyrights and other proprietary rights therein, unless otherwise agreed to in writing.

Concessionaire warrants that it is the sole exclusive owner and has the full right, power, and authority over all tangible and intangible property deliverable to State Parks in connection with this Contract, and that title to such materials conveyed to State Parks shall be delivered free and clear of all claims, liens, charges, judgments, settlements, encumbrances, or security interests.

Concessionaire agrees not to incorporate into or make any deliverables dependent upon any original works of authorship or Intellectual Property Rights of third parties without (1) obtaining State Parks' prior written permission, and (2) granting to or obtaining for State Parks a nonexclusive, royalty-free, paid-up, irrevocable, perpetual, world-wide license to use, reproduce, sell, modify, publicly and privately perform, publicly and privately display, and distribute, for any purpose whatsoever, any such prior works.

Concessionaire further warrants that all deliverables do not infringe or violate any patent, copyright, trademark, trade secret, or any other intellectual property rights of any person, entity, or organization. Concessionaire agrees to execute any documents reasonably requested by State Parks in connection with securing State Parks' registration of patent and/or copyrights or any other statutory protection in such work product including an assignment of copyright in all deliverables. Operator further agrees to incorporate these provisions into all of its contracts with architects, engineers, and other consultants or contractors.

Concessionaire, at its sole expense, shall hold harmless, protect, defend, and indemnify State Parks against any infringement action and/or dispute brought by a third party in connection with any deliverable hereunder.

Concessionaire shall pay all costs, expenses, losses, damages, judgments, and claims including reasonable attorney's fees, expert witness fees, and other costs.

29. GRANT OF STATE'S TRADEMARK LICENSE

State hereby grants Concessionaire, and Concessionaire hereby accepts a non-exclusive, non-assignable license to use the State Park Logo (sometimes referred to as the "Trademark" or "Mark"), created and owned by State, CSRM logo, and the Dingley star logo, which is proprietary to the park in accordance with the terms and conditions of the License/Permission for Use of Trademarks which is attached hereto as **Exhibit J** and is incorporated herein by this reference. After signature by both Concessionaire and State Parks, this License shall authorize the use of the Trademark and associated goodwill, in connection with this Contract only.

A record of each authorized use by Concessionaire of the Trademark shall be maintained by Concessionaire and by State Parks.

Concessionaire and State Parks will use the State Park name, Trademark, and brand consistent with the State Park Brand Standards Handbook available at <http://isearch.parks.ca.gov/pages/321/files/BrandHandbookJanuary2007.pdf>.

The State Park name, Trademark and brand will not be used on Concessionaire social media pages.

30. PARTICIPATION IN STATE PARK MARKETING PROGRAMS

Concessionaire acknowledges that the State has an established advertising and marketing program designed to promote additional revenue for the State and to deliver a consistent and positive image to the public, and Concessionaire agrees to participate in this program in the manner described below without compensation from the State for such cooperation. Any programs established following execution of the contract will be implemented upon mutual consent by Concessionaire and State.

- A. Concessionaire agrees to honor all statewide graphic standards, licensing, and merchandising agreements entered into with corporate sponsors of the Department of Parks and Recreation.
- B. Concessionaire agrees to place on the Premises any advertising that the State approves under this program. Any advertising approved by the State under this program will be placed at State's expense.

Concessionaire agrees to rent or sell, along with all other items of merchandise that are part of the Concessionaire's normal and customary inventory, any item of merchandise that the State approves under this program, provided that Concessionaire is authorized to sell or rent it under the terms of the Contract, and the Concessionaire receives reasonable compensation for its sale.

31. DEFAULT BY CONCESSIONAIRE

A. Defaults: The occurrence of any one of the following shall constitute a default and breach of this Contract by Concessionaire:

- 1) Failure to Pay Rent: Any failure of Concessionaire to timely pay any rent due or any other monetary sums required to be paid hereunder where such failure continues for a period of ten (10) consecutive days after such sums are due.
- 2) Absence from Premises: Any complete absence by Concessionaire or its agents and employees from the Premises for thirty (30) consecutive days or longer. The Premises shall be deemed abandoned after State has followed the procedures set forth in Civil Code Section 1951.3.
- 3) Nuisance: Should Concessionaire create or allow to be created a nuisance on the Premises, State may declare an immediate event of default and enter upon and take possession and/or demand an assignment of the right to operate the Premises without notice to Concessionaire. For the purpose of this paragraph, "nuisance" consists of an egregious activity that threatens the health, welfare, and safety of the public. Concessionaire shall immediately vacate the Premises and remove all personal property within thirty (30) days after State's declaration of default.
- 4) Failure to Observe Other Provisions: Any failure by Concessionaire to observe or perform another provision of this Contract where such failure continues for twenty (20) consecutive days after written notice thereof by State to Concessionaire; this notice shall be deemed to be the notice required under California Code of Civil Procedure Section 1161. However,

if the nature of Concessionaire's default is such that it cannot reasonably be cured within the twenty (20) day period, Concessionaire shall not be deemed to be in default if it is determined at the sole discretion of State that Concessionaire has commenced such cure within the twenty (20) day period and thereafter continues to diligently prosecute such cure to completion to the satisfaction of State.

5) Involuntary Assignments, Bankruptcy: State and Concessionaire agree that neither this Contract nor any interest of Concessionaire hereunder in the Premises shall be subject to involuntary assignment or transfer by operation of law in any manner whatsoever, including, without limitation, the following: (a) transfer by testacy or intestacy; (b) assignments or arrangements for the benefit of creditors; (c) levy of a writ of attachment or execution on this Contract; (d) the appointment of a receiver with the authority to take possession of the Premises in any proceeding or action in which Concessionaire is a party; or (e) the filing by or against Concessionaire of a petition to have Concessionaire adjudged a bankrupt, or of a petition for reorganization or arrangement under any law relating to bankruptcy. Any such involuntary assignment or transfer by operation of law shall constitute a default by Concessionaire and State shall have the right to elect to take immediate possession of the Premises, to terminate this Contract and/or invoke other appropriate remedies as set forth below, in which case this Contract shall not be treated as an asset of Concessionaire.

B. Notices of Default: Notices of default shall specify the alleged default and the applicable contract provision and shall demand that Concessionaire perform the provisions of this Contract within the applicable time period or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Contract unless State specifically so states in the notice.

32. STATE'S REMEDIES

In the event of default by Concessionaire, State shall have the following remedies. These remedies are not exclusive; they are cumulative and are in addition to any other right or remedy of State at law or in equity.

A. Collection of Rent: In any case where State has a cause of action for damages, State shall have the privilege of splitting the cause to permit the institution of a separate suit for rent due hereunder, and neither institution of any suit, nor the subsequent entry of judgment shall bar State from bringing another suit for rent; it being the purpose of this provision to provide that the forbearance on the part of State in any suit or entry of judgment for any part of the rent reserved under this Contract, to sue for, or to include in, any suit and judgment the rent then due, shall not serve as defense against, nor prejudice a subsequent action for, rent or other obligations due under the Contract. The claims for rent may be regarded by State, if it so elects, as separate claims capable of being assigned separately.

B. Maintain Contract in Effect: The State has the remedy described in California Civil Code 1951.4 (lessor may continue lease in effect after lessee's breach or abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations). The following do not constitute a termination of the Concessionaire's right to possession: (1) Acts of maintenance or preservation or efforts to relet the Premises; (2) The appointment of a receiver upon initiative of the State to protect State's interests under the Contract; (3) Withholding consent to a subletting or assignment so long as such consent is not unreasonably withheld.

C. Continued Performance: At State's option, Concessionaire shall continue with its responsibilities under this Contract during any dispute.

D. Termination of Concessionaire's Right to Possession: Upon an event of default, State may terminate Concessionaire's right to possession of the Premises at any time by written notice to Concessionaire. In the absence of such written notice from State, no act by State, including, but not limited to, acts of maintenance, efforts to relet and/or assign rights to possession of the

Premises, or the appointment of a receiver on State's initiative to protect State's interest under this Contract shall constitute an acceptance of Concessionaire's surrender of the Premises, or constitute a termination of this Contract or of Concessionaire's right to possession of the Premises. Upon such termination, State has the right to recover from Concessionaire:

- 1) the worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Contract;
- 2) the worth, at the time of the award, of the amount by which the unpaid rent that would have been earned after the date of termination of this Contract until the time of the award exceeds the amount of loss of rent that Concessionaire proves could have reasonably been avoided;
- 3) the worth, at the time of the award, of the amount by which the unpaid rent for the balance of the term after the time of the award exceeds the amount of the loss of rent that Concessionaire proves could have been reasonably avoided; and
- 4) any other amount necessary to compensate State for all the detriment proximately caused by Concessionaire's failure to perform its obligations under this Contract, which, without limiting the generality of the foregoing, includes any cost and expenses incurred by the State in recovering possession of the Premises, in maintaining or preserving the Premises after such default, in preparing the Premises for a new concessionaire, in making any repairs or alterations to the Premises necessary for a new concessionaire, in making any repairs or alterations to the Premises, and costs of clearing State's title of any interest of Concessionaire, commissions, attorneys' fees, architects' fees, and any other costs necessary or appropriate to make the Premises operational by a new concessionaire.

"The worth, at the time of the award," as used herein above shall be computed by allowing interest at the lesser of a rate of ten percent (10%) per annum or the maximum legal rate.

E. Assignment at State's Direction: In the event of a default by Concessionaire, when cure is not received and acknowledged by State after having provided notice of the breach as provided herein above, Concessionaire shall, in addition to the damages provided for herein, be obligated to assign all rights to occupy, possess, and operate on and in the Premises to State's designee within thirty (30) days of receipt of written demand by State. Concessionaire shall further remove itself and its personal property from the Premises within the same time frame. Concessionaire agrees to execute all documents necessary to effectuate and implement this provision. Upon such assignment, all rights of Concessionaire under the Contract shall transfer to the assignee.

Any designated assignee, as provided for herein, shall take and operate the concession under the same terms and conditions as those set forth herein, except for requirements that have already been performed and are no longer applicable. However, Concessionaire shall not be relieved of obligations incurred. An assignment of the Contract pursuant to the terms hereof shall not cause the Contract to terminate and shall not work a merger.

F. Receiver: If Concessionaire is in default of this Contract, State shall have the right to have a receiver appointed to collect rent and conduct Concessionaire's business or to avail itself of any other pre-judgment remedy. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by State to terminate this Contract.

G. Right to Cure Concessionaire's Default: At any time after Concessionaire commits a default, State can cure the default at Concessionaire's cost. If State, at any time by reason of Concessionaire's default, pays any sum or does any act that requires the payment of any sum, the sum paid by State shall be due immediately from Concessionaire to State, and if paid at a later date shall bear interest at the rate of ten percent (10%) per annum from the date the sum is paid by State until State is reimbursed by Concessionaire. Any such sum shall be due as additional rent.

H. Personal Property of Concessionaire: In the event any personal property or trade fixtures of Concessionaire remain at the Premises after State has regained possession or after an assignment is accomplished, that property or those fixtures shall be dealt with in accordance with the provisions for Surrender of the Premises provided below.

1) State's Obligations after Default: State shall be under no obligation to observe or perform any covenant of this Contract on its part to be observed or performed that accrues after the date of any default by Concessionaire. Such nonperformance by State shall not constitute a termination of Concessionaire's right to possession nor a constructive eviction.

2) No Right of Redemption: Concessionaire hereby waives its rights under California Code of Civil Procedure Sections 1174 and 1179 or any present or future law that allows Concessionaire any right of redemption or relief from forfeiture in the event State takes possession of the Premises by reason of any default by Concessionaire.

3) Other Relief: All monetary obligations of the Concessionaire of any kind shall be considered rent. State shall have such rights and remedies for failure to pay such monetary obligations as State would have if Concessionaire failed to pay rent due. The remedies provided in this Contract are in addition to any other remedies available to State at law, in equity, by statute, or otherwise.

4) No Buy-out: In accordance with Public Resources Code Section 5080.18 (h), where the Contract has been terminated due to a breach on the part of the Concessionaire under any terms of this Contract the State shall not be obligated to purchase any improvements made by Concessionaire or to pay the Concessionaire for said improvements before or after taking possession of the Premises.

33. DEFAULT BY STATE

State shall not be in default of the performance of any obligation required of it under this Contract unless and until it has failed to perform such obligation for more than thirty (30) days after written notice by Concessionaire to State specifying the alleged default and the applicable contract provision giving rise to the obligation. However, if the nature of State's obligation is such that more than thirty (30) days is required for its performance, then State shall not be deemed in default if it shall commence performance within such 30-day period and thereafter diligently prosecute the same to completion.

34. SURRENDER OF THE PREMISES; HOLDING OVER

A. Surrender: On expiration or within thirty (30) days after earlier termination of the Contract, Concessionaire shall surrender the Premises to State with all fixtures, improvements, and Alterations in good condition, except for fixtures, improvements, and Alterations that Concessionaire is obligated to remove. Concessionaire shall remove all of its personal property and shall perform all restoration required by the terms of this Contract within the above stated time unless otherwise agreed to in writing.

1) Personal Property: All of Concessionaire's personal property remaining on the Premises beyond such time specified in this Section shall be dealt with in accordance with California Code of Civil Procedure Section 1174 and California Civil Code Sections 1980, or such other laws as may be enacted regarding the disposition of Concessionaires' property remaining at the Premises. Concessionaire waives all claims against State for any damage to Concessionaire resulting from State's retention or disposition of Concessionaire's personal property. Concessionaire shall be liable to State for State's costs in storing, removing, and disposing of Concessionaire's personal property or trade fixtures.

2) Failure to Surrender. If Concessionaire fails to surrender the Premises to State on the expiration, assignment, or within thirty (30) days

after earlier termination of the term as required by this Section, Concessionaire shall hold State harmless for all damages resulting from Concessionaire's failure to surrender the Premises.

B. Holding Over: After the expiration or earlier termination of the term and if Concessionaire remains in possession of the Premises with State's express consent, such possession by Concessionaire shall be deemed to be a temporary tenancy terminable on thirty (30) days written notice given at any time by either party. During such temporary tenancy, the Minimum Rent shall be increased by Consumer Price Index adjustments required by this Contract in accordance with Section 4, "Rent", unless otherwise agreed to in writing by State. Concessionaire shall pay such rent and all other sums required to be paid hereunder monthly on or before the fifteenth day of each month. All other provisions of this Contract except those pertaining to the term shall apply to the month-to-month tenancy.

35. NO RECORDATION; QUITCLAIM

A. No Recordation: This Contract shall not be recorded.

B. Quitclaim: Concessionaire shall execute and deliver to State on the expiration or termination of this Contract immediately on State's request, a quitclaim deed to the Premises and the rights arising hereunder, in recordable form or such other document as may be necessary, to remove any claim of interest of Concessionaire in and to all property belonging to the State. Should Concessionaire fail or refuse to deliver to State a quitclaim deed or other documents as aforesaid, a written notice by State reciting the failure of the Concessionaire to execute and deliver said quitclaim deed as herein provided, shall after ten (10) days from the date of recordation of said notice be conclusive evidence against the Concessionaire and all persons claiming under Concessionaire of the termination of this Contract.

36. ATTORNEY FEES

Concessionaire shall reimburse the State on demand for all reasonable attorney fees (including attorney fees incurred in any bankruptcy or administrative proceeding or

in any appeal) and expenses incurred by State as a result of a breach or default under this Contract. If Concessionaire becomes the prevailing party in any legal action brought by State, Concessionaire shall be entitled to recover reasonable attorney fees and expenses incurred by Concessionaire and need not reimburse the State for any attorney fees and expenses incurred by the State.

37. EXPATRIATE CORPORATIONS

Concessionaire hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1 and is eligible to contract with the State.

38. COMPLIANCE WITH LAWS, RULES, REGULATIONS AND POLICIES

Concessionaire shall comply with all applicable laws, rules, regulations, and orders existing during the term of this Contract, including obtaining and maintaining all necessary permits and licenses. Concessionaire acknowledges and warrants that it is or will make itself through its responsible concession managers, knowledgeable of all pertinent laws, rules, ordinances, regulations, or other requirements having the force of law affecting the operations of the concession facilities, including but not limited to laws affecting health and safety, hazardous materials, pest control activities, historic preservation, environmental impacts, and State building codes and regulations.

39. NONDISCRIMINATION

During the performance of this Contract, Concessionaire and its employees shall not unlawfully discriminate, harass, or allow harassment against any employee, applicant for employment, or any member of the public because of sex, sexual orientation, race, color, religious creed, marital status, need for family and medical care leave, ancestry, national origin, medical condition (cancer/genetic characteristics), age (40 and above), disability (mental and physical) including HIV and AIDS, need for pregnancy disability leave, or need for reasonable accommodation. Concessionaire shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

For contracts over \$100,000 executed or amended after January 1, 2007, the Concessionaire certifies compliance with Public Contract Code Section 10295.3 concerning domestic partners.

Further, as part of compliance with the foregoing, Concessionaire and Concessionaire's employees shall not discriminate by refusing to furnish any person any accommodation, facility, service, or privilege offered to or enjoyed by the general public. Nor shall Concessionaire or Concessionaire's employees publicize the accommodation, facilities, services, or privileges in any manner that would directly or inferentially reflect upon or question the acceptability of the patronage of any such person.

Concessionaire shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a)-(f), are incorporated into this Contract by reference and made a part hereof as if set forth in full (California Code of Regulations, title 2, Section 7285.0 et seq.). Concessionaire shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Concessionaire shall include the non-discrimination and compliance provisions of this clause in all contracts to perform work under and/or in connection with this Contract.

In the event of violation of this Section, the State will have the right to terminate this Contract, and any loss of revenue sustained by the State by reason thereof shall be borne and paid for by the Concessionaire.

40. DISABILITIES ACCESS LAWS

Without limiting Concessionaire's responsibility under this Contract for compliance with all laws, with regard to all operations and activities that are the responsibility of Concessionaire under this Contract, Concessionaire shall be solely responsible for complying with the requirements of the Americans With Disabilities Act of 1990 ("ADA") [Public Law 101-336, commencing at Section 12101 of Title 42, United

States Code (and including Titles I, II, and III of that law)], the Rehabilitation Act of 1973, and all related regulations, guidelines, and amendments to both laws.

Concessionaire shall be solely responsible to complete necessary modifications to Premises to meet ADA requirements within the first Contract Year.

With regard to facilities for which Concessionaire is responsible for operations, maintenance, construction, restoration, or renovation under this Contract, Concessionaire also shall be responsible for compliance with Government Code Section 4450, et seq., Access to Public Buildings by Physically Handicapped Persons, and Government Code Section 7250, et seq., Facilities for Handicapped Persons, and any other applicable laws. Written approval from State is required prior to implementation of any plans to comply with accessibility requirements.

41. DRUG-FREE WORKPLACE

Concessionaire agrees to comply with Government Code Section 8355 in matters relating to the provision of a drug-free workplace. This compliance is evidenced by the executed Standard Form 21 entitled "Drug-Free Workplace Certification", **Exhibit I**, attached hereto and made a part of the Contract.

42. NATIONAL LABOR RELATIONS BOARD CERTIFICATION

The Concessionaire, by signing this Contract, does hereby swear, under penalty of perjury, that no more than one final, unappealable finding of contempt of court by a Federal Court has been issued against Concessionaire within the two-year period immediately preceding the date of this Contract because of Concessionaire's failure to comply with a Federal Court order that Concessionaire shall comply with an order of the National Labor Relations Board.

43. CHILD SUPPORT COMPLIANCE ACT

In the event the annual gross income generated as a result of this Contract shall exceed One Hundred Thousand Dollars (\$100,000.00), Concessionaire acknowledges that:

A. The Concessionaire recognizes the importance of child and family support relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as obligations and shall comply with all applicable state and federal laws provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and

B. The Concessionaire to the best of its knowledge is complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

44. CONFLICT OF INTEREST

Concessionaire warrants and covenants that no official, employee in the state civil service, other appointed state official, or any person associated with same by blood, adoption, marriage, cohabitation, and/or business relationship: (a) has been employed or retained to solicit or aid in the procuring of this Contract; (b) will be employed in the performance of this Contract without the immediate divulgence of such fact to State. In the event State determines that the employment of any such official, employee, associated person, or business entity is not compatible, Concessionaire shall terminate such employment immediately. For breaches or violation of this Section, State shall have the right both to annul this Contract without liability and, in its discretion, recover from the Concessionaire the full amount of any compensation paid to such official, employee, or business entity.

45. WAIVER OF CLAIMS

The Concessionaire hereby waives any claim against the State of California, its officers, agents, or employees for damage or loss caused by any suit or proceeding directly or indirectly attacking the validity of this Contract or any part thereof, or by any judgment or award in any suit or proceeding declaring this Contract null, void, or voidable, or delaying the same or any part thereof from being carried out.

46. WAIVER OF CONTRACT TERMS

Unless otherwise provided by this Contract, no waiver by either party at any time of any of the terms, conditions, or covenants of this Contract shall be deemed as a waiver at any time thereafter of the same or of any other term, condition, or covenant herein contained, nor of the strict and prompt performance thereof. No delay, failure, or omission of the State to re-enter the Premises or to exercise any right, power, privilege, or option arising from any breach, nor any subsequent acceptance of rent then or thereafter accrued shall impair any such right, power, privilege, or option or be construed as a waiver of such breach or a relinquishment of any right or acquiescence therein. No notice to the Concessionaire shall be required to restore or revive time as of the essence after the waiver by the State of any breach. No option, right, power, remedy, or privilege of the State shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options, and remedies given to the State by this Contract shall be deemed cumulative.

47. INTERPRETATION OF CONTRACT

This Contract is made under and is subject to the laws of the State of California in all respects as to interpretation, construction, operations, effect, and performance.

48. DURATION OF PUBLIC FACILITIES

By entering into this Contract, State makes no stipulation as to the type, size, location, or duration of public facilities to be maintained at this unit, or the continuation of State ownership thereof, nor does the State guarantee the accuracy of any financial or other factual representation that may be made regarding this concession.

49. TIME OF ESSENCE

Time shall be of the essence in the performance of this Contract.

50. EMINENT DOMAIN

If, during the term of this Contract, any property described herein or hereinafter added hereto is taken in eminent domain, the entire award shall be paid to State.

51. TEMPORARY TENANCY

This tenancy is of a temporary nature and the parties to this Contract agree that no Relocation Payment or Relocation Advisory Assistance will be sought or provided in any form as a consequence of this tenancy.

52. SECTION TITLES

The Section titles in this Contract are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope or intent of this Contract, or in any way affect this Contract.

53. CONTRACT IN COUNTERPARTS

This Contract may be executed in counterparts, each of which shall be deemed an original.

54. INDEPENDENT CONTRACTOR

In the performance of this Contract, Concessionaire and the agents and employees of Concessionaire shall act in an independent capacity and not as officers or employees or agents of the State.

55. ASSIGNMENTS AND SUBCONCESSIONS

No transfer, assignment, or corporate sale or merger by the Concessionaire that affects this Contract or any part thereof or interest therein directly or indirectly, voluntarily or involuntarily, shall be made unless such transfer, assignment, or corporate merger or sale is first consented to in writing by State. Before State considers such assignment, evidence must be given to State that the proposed assignee qualifies as a "best responsible bidder" under the terms of Section 5080.05 of the Public Resources

Code or “best responsible person or entity submitting a proposal” under the terms of Section 5080.23 of the Public Resources Code and the Bid Prospectus or Request for Proposals under which this Contract was awarded and executed. To be effective, any such assignment must comply with applicable law including, without limitation on generality, Public Resources Code Sections 5080.20 and 5080.23.

Concessionaire may not use a subconcessionaire to deliver the services described in this Contract without prior written approval of the State. The State’s approval shall consider the following conditions:

- A. The subconcessionaire must be experienced and qualified to deliver the specific services.
- B. The subconcessionaire’s interest shall be subordinate and in all ways subject to the terms of this Contract.
- C. Concessionaire’s gross receipts shall include all receipts of the subconcessionaire.

56. MODIFICATION OF CONTRACT

This concession contract contains and embraces the entire agreement between the parties hereto and neither it, nor any part of it, may be changed, altered, modified, limited, or extended orally or by any agreement between the parties unless such agreement be expressed in writing, signed, and acknowledged by the State and the Concessionaire or their successors in interest.

An amendment is required to change the Concessionaire’s name as listed in this Contract upon receipt of legal documentation to support such change.

Notwithstanding any of the provisions of this Contract, the parties may hereafter, by mutual consent expressed in writing, agree to modifications thereof, additions thereto, or terminations thereof, which are not forbidden by law. Such written modifications or additions to this Contract shall not be effective until signed and acknowledged by the State and Concessionaire and approved in writing by the Department of General Services and the Attorney General of the State of California. The State shall have the right to grant reasonable extensions of time to Concessionaire for any purpose or for the performance of any obligation of Concessionaire hereunder.

57. UNENFORCEABLE PROVISION

In the event that any provision of this Contract is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Contract have force and effect and shall not be effected thereby.

58. APPROVAL OF CONTRACT

This Contract, amendments, modifications, or termination thereof shall not be effective until approved by Department of General Services and the Attorney General of the State of California.

59. STATE'S DISTRICT SUPERINTENDENT

For the purposes of this Contract, the "District Superintendent" is the State representative responsible for the Premises. The District Superintendent is charged with the day-to-day administration of this Contract and is the Concessionaire's initial contact with the State for information, contract performance, and other issues as might arise. The District Superintendent may delegate these responsibilities to a Sector or Park Superintendent or other individual.

IN WITNESS WHEREOF, the parties hereto warrant that they respectively have the requisite authority to enter this Contract, binding the named parties for which they sign, and have executed this concession contract at the respective times set forth below.

CONCESSIONAIRE:

**STATE OF CALIFORNIA
DEPARTMENT OF PARKS & RECREATION**

Signed: _____

Signed: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPROVED:

APPROVED:

ATTORNEY GENERAL:

DEPARTMENT OF GENERAL SERVICES:

Approved as to legal sufficiency
in accordance with the requirements
of Sections 5080.02-5080.21 of the
Public Resources Code.

**KAMALA D. HARRIS, Attorney General
of the State of California**

By: _____
Deputy Attorney General

Dated: _____

EXHIBIT A – THE PREMISES



EXHIBIT B - CONSUMER PRICE INDEX ADJUSTMENT FORMULA

Consumer Price Index (CPI) adjustments applied to the \$\$\$ Minimum Annual Rent shall be based on changes in the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for "All Urban Consumers, San Francisco All Items, (1982-84=100)." Calculations shall employ the following formula:

"Base Index" = CPI Index published for the month preceding the commencement date of this Contract.

"Base Rent" = Minimum \$\$\$ rent during the first Contract Year.

"Year End Index" = CPI Index for the month preceding the start of the subject Contract Year.

Step #1:
$$\frac{\text{"Year End Index"} - \text{"Base Index"}}{\text{"Base Index"}} = \% \text{ Change}$$

Step #2:
$$\% \text{ Change} \times \text{Base Rent} = \text{Adjustment}$$

Step #3:
$$\text{Base Rent} + \text{Adjustment} = \text{New Rent}$$

EXHIBIT C – DPR 54, CONCESSIONAIRE'S MONTHLY REPORT OF OPERATION

State of California - The Resources Agency
DEPARTMENT OF PARKS AND RECREATION

CONCESSIONAIRE'S MONTHLY REPORT OF OPERATION

FOR THE MONTH OF _____, YEAR _____

(Instructions on reverse.)

FOR DEPARTMENT COMPLETION	
DISTRICT NO.	PARK UNIT NO.
ROC DOCUMENT NO.	

NAME OF CONCESSION	
ADDRESS	CITY/STATE/ZIP CODE
DISTRICT	PARK UNIT

TYPE OF RECEIPT	GROSS RECEIPTS	NUMBER OF UNITS (WHERE APPLICABLE)	CUMULATIVE GROSS TO DATE (CONTRACT YEAR)	PERCENT RATE OR AMOUNT PER UNIT DUE STATE	AMOUNT DUE TO STATE
FOOD & NONALCOHOLIC BEVERAGES					
ALCOHOLIC BEVERAGES					
MERCHANDISE					
EQUIPMENT RENTALS					
PAY SHOWERS					
VENDING MACHINES (SEE REVERSE)					
SUBTOTALS					
				ADJUSTMENTS (EXPLAIN REASON ON REVERSE)	
				TOTAL DUE (EXPLAIN REASON ON REVERSE)	

MAINTENANCE FEES (COMPLETE THIS SECTION IF APPLICABLE)	
THIS MONTH'S MAINTENANCE FEE ALLOCATION _____ % x Monthly Gross Revenue = \$	CUMULATIVE MAINTENANCE FEE ALLOCATION YEAR TO DATE _____ % x Cumulative Gross Revenue = \$
AMOUNT SPENT ON ELIGIBLE MAINTENANCE THIS MONTH \$	CUMULATIVE AMOUNT EXPENDED ON ELIGIBLE MAINTENANCE YEAR TO DATE \$

SEASONAL CONCESSIONS (COMPLETE THIS SECTION IF APPLICABLE)	EXACT DATE YOU CEASED OPERATIONS	DATE YOU EXPECT TO RESUME OPERATIONS
--	----------------------------------	--------------------------------------

DECLARATION		
I declare under penalty of perjury that the information on this form is accurate and complete to the best of my knowledge.		
CONCESSIONAIRE'S SIGNATURE	PRINTED NAME	DATE
TITLE/POSITION		PHONE NO.

EXHIBIT C – *continued*

DPR 54 COMPLETION INSTRUCTIONS

1. Provide the month and year of operation for which this report is being prepared.
2. Provide full name of the concession and the name and address of the concessionaire, including city, state and zip code.
3. Include all revenue for the month for each appropriate category. For "Vending Machine" revenue, please include the following sources:
 - Ice machines
 - Newspaper vending machines
 - Map and brochure vending machines
 - Grab boxes
 - Firewood dispensers
 - Air compressors
 - Washing machines and dryersDo not include the following sources as "Vending Machine" revenue:
 - Park UR Self machines
 - Pay showers
 - Iron rangers
4. Types of revenue that might be recorded on a "per unit" basis include:
 - Petroleum products (per gallon)
 - Group tours (per adult or children's ticket)
5. Complete the "Maintenance Fees" and "Seasonal Concessions" sections of the form if your concession contract requires a maintenance fee allocation and/or if your concession operates on a seasonal basis.
6. Sign and date the form and provide the preparer's title and telephone number.

COMMENTS/EXPLANATIONS:

DPR 54 (Back)

EXHIBIT D – OPERATION PLAN

This section will incorporate the successful concessionaire's plans.

SAMPLE

EXHIBIT E – FACILITY IMPROVEMENT PLAN(S)

The concessionaire's Facility Improvement Plans are described within the RFP Section 3, Subsection II Proposal Information for each of the sites included in the RFP.

SAMPLE

EXHIBIT F - INTERPRETIVE PLAN

This section will incorporate the successful concessionaire's plans.

Guidelines for Developing an Interpretive Services Plan

Overview

The following information is furnished as a guideline for the preparation of the Interpretive Services Plan, a required component of your proposal. Proposals submitted will be evaluated with adherence to these guidelines. The overall atmosphere generated by this concession operation and interpretive Services plan should engage a wide spectrum of park visitors.

The Interpretive Services Plan of your proposal should address specific interpretive ideas and concepts that will demonstrate your abilities to provide a high-quality food and dining service. A successful concessionaire should use a variety of innovative, interpretive, and educational services to facilitate a safe, enjoyable quality learning experience for park visitors. The Interpretive Services Plan must support the mission of the park and meet its purpose and objectives.

Objectives of Interpretive Services Plan

The Interpretive Services Plan for Dingley and Silver Palace shall:

- Complement the park's programs and enhance the public's understanding of commercial activities of Old Sacramento SHP.
- Contribute to the creation and support of the "living" historic environment in the park.
- Invite visitor involvement. This item pertains to Catering concession also.
- Include a staff-training program, which develops employees so they have the special knowledge, skills, experiences, and abilities appropriate to the interpretive needs of the park, its visitors, and the concession operation.
This item pertains to Catering concession as well.

EXHIBIT G - DPR 86, CONCESSIONAIRE FINANCIAL STATEMENT

State of California - The Resources Agency
DEPARTMENT OF PARKS AND RECREATION

CONCESSIONAIRE FINANCIAL STATEMENT

CONCESSIONAIRE NAME	CONCESSION NAME
PARK UNIT NAME	REPORTING PERIOD From: _____ To: _____

A. CASH FLOW STATEMENT

GROSS SALES/RECEIPTS

		\$ _____
Less Returned Sales and Allowances	\$ _____	
Less Sales Taxes	_____	
Net Sales for Period		\$ _____
Cost of Goods Sold:		
Inventory at Beginning of Period	\$ _____	
Add Purchases During Period	_____	
Merchandise Available for Sale	_____	
Less Inventory at Close of Period	_____	
Less Cost of Goods Sold		\$ _____

GROSS PROFIT

\$ _____

LESS EXPENSES

Salaries & Wages <i>(do not include Concessionaire salaries)</i>	\$ _____
Rent to State	_____
Insurance	_____
Materials & Supplies	_____
Maintenance & Repairs	_____
Utilities <i>(including telephone)</i>	_____
Advertising	_____
Taxes & Licenses <i>(other than income & sales)</i>	_____
Legal & Accounting	_____
Travel & Transportation	_____
Interest	_____
Security	_____
Administrative Overhead	_____
Depreciation <i>(equipment)</i>	_____
Amortization <i>(improvements)</i>	_____
Other: _____	_____
Other: _____	_____
Other: _____	_____
Other: _____	_____

TOTAL EXPENSES

\$ _____

NET PROFIT FROM OPERATIONS *(before income taxes)*

\$ _____

Page B _____ of _____

CONCESSIONAIRE NAME	CONCESSION NAME
PARK UNIT NAME	REPORTING PERIOD From: _____ To: _____

B. SCHEDULE OF DEPRECIATION

Columns 5, 8, and 9 must add to the total shown in Column 4. If you need more space to list all equipment, use additional pages and number B-2, B-3, etc. Use reverse side for remarks.

DESCRIPTION OF EQUIPMENT (1)	DATE ACQUIRED (2)	CONDITION (X) (3)		ACQUISITION COST (4)	PRIOR YEARS' DEPRECIATION (5)	RATE (%) (6)	LIFE YEARS (7)	DEPRECIATION THIS PERIOD (8)	BALANCE TO BE DEPRECIATED (9)
		New	Used						
TOTALS									

CONCESSIONAIRE FINANCIAL STATEMENT

CONCESSIONAIRE NAME	CONCESSION NAME
PARK UNIT NAME	REPORTING PERIOD
	From: _____ To: _____

C. BALANCE SHEET

ASSETS

CURRENT ASSETS

Cash \$ _____
Accounts Receivable _____
Merchandise Inventory _____
Notes Receivable (Less than 1 year) _____

TOTAL CURRENT ASSETS \$ _____

NONCURRENT ASSETS

Equipment/Property \$ _____
Less Depreciation Reserve _____
Net Equipment/Property Cost _____
Prepaid Expenses _____
Other: _____
Other: _____

TOTAL NONCURRENT ASSETS \$ _____

TOTAL ASSETS \$ _____

LIABILITIES

CURRENT LIABILITIES

Accounts Payable \$ _____
S & W Payable _____
Short-Term Notes Payable _____
Interest Payable _____
Short-Term Loan Payable _____
Other: _____
Other: _____

TOTAL CURRENT LIABILITIES \$ _____

OTHER LIABILITIES

Other: \$ _____
Other: _____

TOTAL OTHER LIABILITIES \$ _____

TOTAL LIABILITIES \$ _____

CAPTIAL

OWNER'S EQUITY

Capital \$ _____
Less Personal Drawing \$ _____
Net Addition \$ _____
Stockholder's Equity \$ _____
Other: \$ _____

TOTAL CAPITAL \$ _____

TOTAL LIABILITIES AND CAPITAL \$ _____

CONCESSIONAIRE FINANCIAL STATEMENT

CONCESSIONAIRE NAME	CONCESSION NAME
PARK UNIT NAME	REPORTING PERIOD
	From: _____ To: _____

D. STATEMENT OF MONTHLY GROSS SALES/RECEIPTS

Jan 20 ____ \$ _____	April 20 ____ \$ _____	July 20 ____ \$ _____	Oct 20 ____ \$ _____
Feb 20 ____ \$ _____	May 20 ____ \$ _____	Aug 20 ____ \$ _____	Nov 20 ____ \$ _____
Mar 20 ____ \$ _____	June 20 ____ \$ _____	Sept 20 ____ \$ _____	Dec 20 ____ \$ _____

TOTAL MONTHLY GROSS SALES/RECEIPTS \$ _____

If the "Total Monthly Gross Sales/Receipts" above does not match the Cash Flow Statement "Gross Sales/Receipts," please explain below.

The undersigned declares and certifies that the above statement and the attached Cash Flow Statement, Schedule of Depreciation, and Balance Sheet are correct.

AUTHORIZED SIGNATURE

DATE



PRINTED NAME OF PREPARER

EXHIBIT H - DPR 531, CONCESSION PERFORMANCE RATING

CONCESSION PERFORMANCE RATING

State of California - The Resources Agency
CALIFORNIA STATE PARKS

DISTRICT					PARK UNIT			DATE	
CONCESSIONAIRE					TYPE OF CONCESSION				
CATEGORIES		EXCELLENT (E)	SATISFACTORY (S)	NEEDS IMPROVEMENT (NI)	NONCOMPLIANCE/ UNACCEPTABLE (NON)	COMPLIANCE (COM)	NOT APPLICABLE (NA)	COMMENTS	
Circle the appropriate points in each category. If category is not applicable, check not applicable (NA) box.								Explain items which are rated excellent, needs improvement or noncompliance/unacceptable. Make recommendations for correction for NI and NON rating. Attach additional sheets as necessary.	
ACCOUNTING	RENTAL PAYMENT	8	6	2	0				
	MONTHLY DPR 54 SUBMITTAL	4	3	1	0				
	ANNUAL DPR 86 SUBMITTAL	4	3	1	0				
	MAINTAINS REGISTER JOURNAL/\$ TRAIL				0	4			
	OTHER:				0	4			
BONDS/INSURANCE	PERFORMANCE BOND				0	4			
	LIABILITY INSURANCE				0	4			
	FIRE INSURANCE				0	4			
	AUTOMOBILE INSURANCE				0	4			
	OTHER:				0	4			
CONSTRUCTION	REQUIRED IMPROVEMENTS				0	4			
	TIME SCHEDULE				0	4			
	PAYMENT BOND				0	4			
	OTHER:				0	4			
USE OF PREMISES	OPERATING DAYS/HOURS	4	3	1	0				
	AUTHORIZED GOODS/SERVICES	4	3	1	0				
	APPROPRIATE SIGNAGE/ADVERTISING	4	3	1	0				
	OTHER:	4	3	1	0				
QUALITY ASSURANCE	GOODS	8	6	2	0				
	SERVICES	8	6	2	0				
	PRICES (COMPETITIVE/POSTED)	4	3	1	0				
	CUSTOMER SERVICE	8	6	2	0				
	OTHER:	4	3	1	0				
TOTAL POINTS PER COLUMN					0				
PAGE 1 ONLY									

CATEGORIES		E	S	NI	NON	COM	NA	COMMENTS
SAFETY	FIRE SAFETY/PREVENTION	4	3	1	0			
	GAS/ELECTRIC	4	3	1	0			
	GENERAL SAFETY	4	3	1	0			
	OTHER:	4	3	1	0			
FACILITY MAINTENANCE	INTERIOR - HOUSEKEEPING/CLEANLINESS	4	3	1	0			
	INTERIOR - FACILITY MAINTENANCE	4	3	1	0			
	EXTERIOR - HOUSEKEEPING/CLEANLINESS	4	3	1	0			
	EXTERIOR - FACILITY MAINTENANCE	4	3	1	0			
	GROUNDS - HOUSEKEEPING/CLEANLINESS	4	3	1	0			
	GROUNDS - FACILITY MAINTENANCE	4	3	1	0			
	MAINTENANCE PLAN	4	3	1	0			
	OTHER:	4	3	1	0			
INTERPRETIVE PROGRAM <i>(When Applicable)</i>	COSTUMES	4	3	1	0			
	MERCHANDISE AND INTERPRETIVE PLAN	4	3	1	0			
	FURNISHINGS AND INTERPRETIVE PLAN	4	3	1	0			
	EVENTS/ACTIVITIES AND INTERPRETIVE PLAN	4	3	1	0			
	IMPLEMENTATION OF INTERPRETIVE PLAN	4	3	1	0			
	OTHER:	4	3	1	0			
TOTAL POINTS PER COLUMN PAGE 2 ONLY					0	0		
TOTAL POINTS PER COLUMN PAGE 1 + PAGE 2					0			
TOTAL POINTS RECEIVED FROM ALL CATEGORIES		MAXIMUM POINTS POSSIBLE FOR RATED CATEGORIES		PERCENT RATING		ARE THERE ANY NONCOMPLIANCE OR UNACCEPTABLE RATINGS IN ANY CATEGORY?*		
(_____ ÷ _____) x 100 = #DIV/0!						<input type="checkbox"/> Yes <input type="checkbox"/> No		
OVERALL RATING <i>(Based on percent rating)</i>								
<input type="checkbox"/> EXCELLENT (90% to 100%) <input type="checkbox"/> SATISFACTORY (70% to 89%) <input type="checkbox"/> NEEDS IMPROVEMENT (60% to 69%) <input type="checkbox"/> UNACCEPTABLE (less than 60%)								
RATER'S SIGNATURE		TITLE		DATE		RATER DISCUSSED REPORT WITH CONCESSIONAIRE?		
						<input type="checkbox"/> Yes. Date: _____ <input type="checkbox"/> No		
In signing this report I do not necessarily agree with the conclusion of the rater.								
CONCESSIONAIRE'S SIGNATURE				TITLE		DATE		

***NOTE:** A rating of UNACCEPTABLE or NONCOMPLIANCE in any category will result in an overall rating of no higher than NEEDS IMPROVEMENT.

EXHIBIT I – DRUG-FREE WORKPLACE CERTIFICATION

STATE OF CALIFORNIA

DRUG-FREE WORKPLACE CERTIFICATION

STD. 21 (Rev. 12/93)(CA ST PKS, EXCEL 4/9/1999)

CERTIFICATION

I, the official named below, hereby swear that I am duly authorized to legally to bind the contractor or grant recipient to the certification described below. I am fully aware that this certification, executed on the date below, is made under penalty of perjury under the laws of the State of California.

CONTRACTOR/BIDDER FIRM NAME	FEDERAL ID NUMBER
BY (Authorized Signature)	DATE EXECUTED
 PRINTED NAME AND TITLE OF PERSON SIGNING	TELEPHONE NUMBER (Include Area Code) ()
TITLE	
CONTRACTOR/BIDDER FIRM'S MAILING ADDRESS	

The contractor or grant recipient named above hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace. The above named contractor or grant recipient will:

1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).
2. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b), to inform employees about all of the following:
 - (a) The dangers of drug abuse in the workplace,
 - (b) The person's or organization's policy in maintaining a drug-free workplace,
 - (c) Any available counseling, rehabilitation and employee assistance programs, and
 - (d) Penalties that may be imposed upon employees for drug abuse violations.
3. Provide as required by Government Code Section 8355(c), that everyone who works on the proposed contract or grant:
 - (a) Will receive a copy of the company's drug-free workplace policy statement, and
 - (b) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant.
4. At the election of the contractor or grantee, from and after the "Date Executed" and until _____^(DATE) (NOT TO EXCEED 36 MONTHS), the state will regard this certificate as valid for all contracts or grants entered into between the contractor or grantee and this state agency without requiring the contractor or grantee to provide a new and individual certificate for each contract or grant. If the contractor or grantee elects to fill in the blank date, then the terms and conditions of this certificate shall have the same force, meaning, effect and enforceability as if a certificate were separately, specifically, and individually provided for each contract or grant between the contractor or grantee and this state agency.

EXHIBIT J – LICENSE/PERMISSION FOR USE OF TRADEMARKS

LICENSE/PERMISSION FOR USE OF TRADEMARKS

State of California - The Resources Agency
DEPARTMENT OF PARKS AND RECREATION

REQUESTER NAME _____ hereafter called the "Licensee."																									
<p>Subject to the terms and conditions of this Agreement, the California Department of Parks and Recreation ("State Parks") grants permission to use certain trademarks (the "Mark(s)"), created and owned by State Parks in accordance with the terms and conditions of this License, identified as follows:</p> <p>The State Park Logo Registration No. 2437051</p> <p>See http://search.parks.ca.gov/pages/321/files/BrandHandbookJanuary2007.pdf, incorporated herein, for additional provisions regarding use of the Mark, including specifications, registration, and logo usage guidelines.</p> <p>State Parks hereby grants to the Licensee the non-exclusive, non-transferable, non-sublicenseable right and license to use the Mark pursuant to the terms and conditions of this license from and including through , intended to match and run concurrent with Licensee's Concession Contract with State Parks.</p> <p>This license shall authorize the use of the Mark and associated goodwill, in connection with only the following:</p> <p>Any additional use shall require written permission and/or the payment of fees. This permission is non-transferable and non-sublicenseable. This is not an exclusive privilege to the user, and State Parks reserves the right to make the Mark available to others.</p> <p>Licensee shall not modify or alter the Mark in any way without prior written approval from State Parks.</p> <p>All uses of the Mark must be accompanied by the trademark registration symbol (®) unless it is infeasible from a design standpoint.</p> <p>IN NO EVENT SHALL STATE PARKS BE LIABLE FOR ANY DAMAGES ARISING FROM OR RELATED TO THIS AGREEMENT. STATE PARKS EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. PERMISSION TO USE THE MARK IS GRANTED "AS IS."</p> <p>Licensee agrees to indemnify, protect, hold harmless, and defend State Parks from and against any liability that might arise from any and all use of the Mark by Licensee, its licensees, successors or assigns.</p> <p>Goodwill and Quality Control</p> <p>A. Licensee recognizes the great value and goodwill associated with the Mark and acknowledges that such goodwill belongs to State Parks. Licensee further acknowledges that the Mark has acquired a secondary meaning among the public. Licensee agrees not to take any action that could be detrimental to the goodwill associated with the Mark or to State Parks.</p> <p>B. Before Licensee uses the Mark on any materials, it shall send a copy of each representative item showing the proposed use to, and obtain written approval from, State Parks. State Parks shall not unreasonably withhold or delay such approval.</p> <p>Third Party Infringement</p> <p>State Parks, at its sole discretion, shall take whatever action it deems advisable in connection with any unauthorized use of the Mark(s) by a third party. State Parks shall bear the entire cost and expense associated with any such action, and any recovery or compensation that may be awarded or otherwise obtained as a result of any such action shall belong to State Parks.</p> <p>The provisions above constitute page 1 of 2 of this agreement. Page 2 must be initiated by both parties for this agreement to be valid.</p>																									
AGREED AND ACCEPTED																									
<table border="1"><tr><td colspan="2">State of California Department of Parks and Recreation</td><td colspan="2">LICENSEE</td></tr><tr><td>BY</td><td>DATE</td><td>BY</td><td>DATE</td></tr><tr><td colspan="2">D></td><td colspan="2">D></td></tr><tr><td colspan="2"></td><td colspan="2">PRINTED NAME AND TITLE OF PERSON SIGNING</td></tr><tr><td>TITLE</td><td>DISTRICT/SECTION</td><td colspan="2">ADDRESS</td></tr><tr><td>PHONE NO.</td><td>EMAIL</td><td>PHONE NO.</td><td>EMAIL</td></tr></table>		State of California Department of Parks and Recreation		LICENSEE		BY	DATE	BY	DATE	D>		D>				PRINTED NAME AND TITLE OF PERSON SIGNING		TITLE	DISTRICT/SECTION	ADDRESS		PHONE NO.	EMAIL	PHONE NO.	EMAIL
State of California Department of Parks and Recreation		LICENSEE																							
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D>		D>																							
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TITLE	DISTRICT/SECTION	ADDRESS																							
PHONE NO.	EMAIL	PHONE NO.	EMAIL																						

12/20/05

LICENSE/PERMISSION FOR USE OF TRADEMARKS

State of California - The Resources Agency
DEPARTMENT OF PARKS AND RECREATION

The provisions below constitute page 2 of 2 of this agreement. This page must be initialed by both parties for this agreement to be valid.

Ownership Rights

Licensee acknowledges State Park's exclusive right, title and interest in and to the Mark. Licensee further covenants that it shall not at any time challenge or contest the validity, ownership, title and registration of State Parks in and to the intellectual property or the validity of this License. Licensee's use of the Mark shall inure to the benefit of State Parks. If Licensee acquires any trade rights, trademarks, equities, titles, or other rights in and to the Mark, by operation of law, usage, or otherwise, Licensee shall, upon the expiration of this License, assign and transfer the same to State Parks without any consideration other than the consideration of the License. All rights not specifically transferred by this License are reserved to State Parks.

Termination

A. State Parks shall have the right to terminate the License without cause upon sixty (60) days notice if the Licensee's Concession Contract with State Parks is terminated, whereupon all rights granted herein shall revert immediately to State Parks.

B. Upon early termination by State Parks or by expiration of the License, the License shall terminate, Licensee's rights shall cease immediately and Licensee shall discontinue all use of the Mark(s) and/or other licensed property at once. Licensee shall dispose of all goods, works and materials bearing or relating to the Mark in accordance with State Park's instructions and consistent with the terms and conditions of the Concession Contract.

No Partnership or Agency Created

Nothing herein shall be construed to constitute the parties hereto as partners or joint venturers, nor shall any similar relationship be deemed to exist between them. Further, nothing in this License shall make one party the agent of the other, and neither party has power or authority to bind the other.

Applicable Law

This License shall be construed in accordance with the laws of the State of California; Licensee consents to jurisdiction of the courts of Sacramento, California.

Integration

This License, the Brand Standards Handbook, and the Concession Contract referenced herein, constitute the entire agreement between the parties hereto and shall not be modified, amended, or changed in any way except by written agreement signed by both parties hereto. This License shall be binding upon and shall inure to the benefit of the parties, their successors, and assigns.

Notices

All notices and reports to be sent to State Parks shall be in writing and shall be mailed or delivered to California Department of Parks and Recreation, Concessions Division, PO Box 942896, Sacramento CA 94296-0001. All notices to be sent to Licensee shall be mailed or delivered to the address specified on the first page of the License form. All notices and reports shall be deemed delivered immediately upon personal delivery, or, if mailed, three (3) days after being deposited in the United States mail system, postage prepaid, first class mail, and properly addressed. State Parks and Licensee shall provide notice to the other of any change in address.

Modifications

This License may not be modified except by a written instrument, signed by both parties, making specific reference to this License by date, parties and subject matter.

Severability

The invalidity or unenforceability of any provision of this License, or the invalidity or unenforceability of any provision of this License as applied to a particular occurrence or circumstance, shall not affect the validity or enforceability of any of the other provisions of this License or any other applications of such provisions, as the case may be.

Attorneys Fees

If litigation becomes necessary to secure compliance with the terms and conditions of this License, to recover damages and/or to terminate the License, the prevailing party in any legal action shall be entitled to recover reasonable attorney fees and expenses incurred.

AGREED AND ACCEPTED

LICENSEE'S INITIALS	DATE	LICENSEE'S INITIALS	DATE
>		>	

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